THE CANNING TRADE
THE BUSINESS JOURNAL OF THE CANNING AND ALLIED INDUSTRIES

EDWARD E. JUDGE, EDITOR
Published Every Monday Since 1878

Editorials . . .

HOW WAS THE CONVENTION?—"Fantabulous" provides a good one-word description of the reactions of a number of machinery and equipment firms. Supplymen seemed well pleased also. Your reporter didn't ask every exhibitor how he felt about the convention, but he did ask a good many, and there was not a single reply that was unfavorable. There were not only good contacts but orders were taken, many of them, and believe it or not, memories of days gone by, equipment was shipped direct from the floor.

Consciously or unconsciously, Chicago will receive much of the credit for the success of this the 1961 Convention from an exhibitor's standpoint. Admittedly Chicago has many good points, but the fact is this would have been a good year to have the Convention in Timbuctoo, for canners have money in their jeans, and they are wide awake to the advantages of labor-saving, quality-improving equipment—a rather happy combination from the standpoint of the supplier.

For the record, it should be stated here that the 1962 Convention will be held in Miami Beach in January, approximately the same time as last year. Setting for the 1963 Convention is yet undecided and will not be announced until the Board of Directors meet this coming May. This column will not repeat the rumors making the rounds at this stage.

THE PROGRAM—"As soon as I get home I'm going to write Carlos Campbell and tell him this was the best convention I've attended in my 30 years of conventions," said a prominent canner. Many expressed the same feeling in different words. The selection of discussion topics, the calibre of the speakers, the limitation of sessions to the morning hours, and the form of 8:30 A.M. breakfasts expertly planned and handled, all combined to make for a smooth running, enjoyable and informative convention. Mr. Campbell and his staff are indeed to be sincerely congratulated.

WHO WAS THERE—NCA expected 6,000. Our guess is their expectations were exceeded by at least 1,000. The Canning Machinery & Supplies Association preliminary count of those who registered to obtain badges to visit the exhibit totaled 6,380, and as is well known, and unfortunately, not all those who attend the Convention visit the exhibits. Total preliminary count of 6,380 compares with a preliminary total last year at Miami of 5,187, and 6,152 in Chicago in 1959. Preliminary registrations of processors—canners, freezers, and what-not—totaled 2,387 compared with 2,175 in Miami, and 2,253 in Chicago in 1959.

From our own observations, and from conversations with state secretaries, all areas were well represented, a normal compliment from California and the West Coast, nearly everybody from Wisconsin, very good attendance from Ohio, Michigan, Illinois, Indiana, and New York; Pennsylvania and the Tri-States made a surprising showing, where a fall-off in attendance had been expected, particularly from the Tri-States.

Social events were well attended, also. Nearly 200 dignitaries, an all-time record, attended the Forty-Niner Award Ceremony and Reception Saturday evening, two days before the Convention officially opened. The Old Guard marked up a modern-day record Sunday evening; the Young Guard on Monday evening was for all intents and purposes a sell-out; and extra tables were added for the CM&SA Dinner Dance on Tuesday evening, an affair which, incidentally, received more than the usual acclamation.

The Convention was saddened to learn of the untimely death on Saturday evening of NFBA's National Chairman, George Cook, of Baltimore. There weren't a multitude of brokers in attendance, but those who were there were interested in canned foods. They were busy and appeared to be quite content that the Convention wasn't too crowded with competing brokers. The nation's biggest canned foods buyers were there, and it was apparent even to the casual observer, that they were doing more than socializing. More than one canner told us they were doing some business, which also adds up to a change from recent years.

Romney Writes Prescription for Meeting Threat of World Communism

Charging that we are engaged in a vast struggle for survival against world communism, and that we are perhaps as dangerously slow today in realizing the full character of the struggle as we were on the morning of the Pearl Harbor attack, George Romney, president, American Motors Corporation, addressing the 54th Annual Meeting of the National Canners Association, Monday morning, January 23, in Chicago, offered a three-way prescription to meet this ominous challenge:

1. World wide application of the American dream.
2. A reevaluation and a reorientation of the true message of the American Revolution in spiritual, moral, economic, and social terms.
3. Recognition of the extent of the danger from within, and individual action to correct it.

Mr. Romney likened the intensity of the present struggle with that of the American Revolution itself, the development of the Constitution, and thirdly, the Civil War.

CONSUMERISM

"There are only two ways to discipline an economy," said Mr. Romney. "One is through the principle of competition, which places ultimate power in the hands of the people. The other is through the principle of absolute authority. The principle of absolute authority can be private as in cartels, or other forms of private concentration, or it can be in government under some form of collectivism. There are no other ways of disciplining an economy."

"Out of our religious, political and social concepts has evolved an unique economy," the industrial genius pointed out. "Its prinpical point of uniqueness is that the people control our economic system as consumers in much the same way that they control our political system as citizens." It has evolved beyond capitalism, he said, describing our economic system as "consumerism," so called because the consumers exercise the ultimate control.

"It isn't exercised by the owners and capitalists, and it is not exercised by the union leaders. It is still exercised by people, although it is increasingly threatened from within as a result of the concentrations of power that are developing."

George Romney, president of American Motors, received thunderous applause following his thought provoking address at the Annual Meeting.

Warming to his subject, Mr. Romney continued:

"In our unique economic development we have proven four principles and also a basic mechanism. Two are the principles of competition and of voluntary cooperation. The character of the automobile industry today results from voluntary cooperation as much as from competition.

"The third is the principle of rewarding people on the basis of their contribution. We are gradually abandoning this while the Russians are picking it up and creating what they themselves label as an incentive system.

"The fourth principle is that for balanced and maximum economic growth, the benefits of economic progress must be shared with all consumers —not just among workers or owners or any other minority groups.

"The proven mechanism is the free-market where the people as free consumers register their product choices or their economic vote.

"The international opportunity of promoting the good of all by practicing these principles, just in the economic area, is incalculable."

Both the American political and economic principles are not just for us alone, he said, "they represent a blue print for a new world-wide order encompassing all nations, all races, all peoples, and all cultures, if they freely choose to use these principles." However, he warned, "their choice must be based on our example and pursuasion and not on the basis of our coercion."

NEW APPROACH

In this connection, Mr. Romney suggested that the present system of supplying consumers durable goods in other countries, imposes a severe economic disadvantage on those countries, and their people, and on our own country.

A new approach is needed. One that would seem to have merit involves international company to company arrangements with the elimination of certain tariffs and barriers. This arrangement, according to Mr. Romney, "would permit companies to set up an international manufacturing bridge, with tariff-free exchange of production between the foreign and domestic companies, limited exactly to equal production values flowing in each direction. Outside of that interchange, they would be subject to the usual tariffs and other restrictions."

DANGERS FROM WITHIN

A forceful and energetic speaker, holding at every moment the rapt attention of his overflowing audience, Mr. Romney then turned to a discussion of the dangers from within. These, he said, "threaten to carry us in the name of expendiency from a society based on the discipline of respect for the freedom and personal self reliance of others to a society based on the discipline of concentrated, absolute authority and collectivism."

"Our ability to share our means and methods as well as our products depends fundamentally on our own economic health and growth, in my judgment. Present U. S. national policies and economic trends are thwarting increasingly the economic growth necessary for our leadership of the free world and its essential victory over collectivism. Failure to share economic progress with all consumers is an end result of our present national economic policies. The maintenance of balance in economic progress has depended primarily on this sharing.

"Increased reliance is being placed unfortunately on government spending and power as the means of correcting the economic problems that are developing as the results of this neglect of consumers. These economic problems are: the slowing of economic growth; economic dislocation; distress areas; unemployment; and excessive American industrial expansion abroad.

"In my judgment, the United States of America is in the early stages of experiencing a movement out of this country of industries that are confronted with a wage-price-cost spiral that is pricing them out of domestic as well as world markets.

"Under these circumstances we are looking to government primarily to meet the situation through government spending and power. Ironically, the problems are largely the outgrowth of out-dated and deficient governmental policy. Furthermore, the rate of economic growth is adversely affected by the government's failure to maintain adequate competition, encourage voluntary cooperation and preserve the incentive of awards related to the magnitude of contribution. These deficiencies are not apparent in trends that are ominous.

"I think we are going to make a vast mistake in American industrial expansion abroad unless we keep strong at home, and unless we establish foreign operations on a partnership basis subject to the policies of foreign nations and subject to the control and direction of their citizens. Foreign nations consider their markets, theirs—not ours. They want our partnership, but they don't want our economic domination any more than they want our political domination."

CITIZENSHIP FIRST

Referring to the American propensity for organization, and the tendency to place the welfare of the organization above all else, Mr. Romney stated that there is little difference between the contribution of the sterile individual restricting his time in the activities of the organization, and his counter part cog in the super state. Categorically he asked:

"As an individual and as a citizen, should I seek to pursue company policies and programs consistent with my convictions as an individual and as a citizen? Should I relate and interpret company actions and programs against the framework of my responsibilities as a citizen? Must I refrain from positions critical of competitors with whom cooperation is essential in non-competitive matters? Does the interest of the industry as a whole take precedence when my convictions as a citizen call for a direct challenge of general industry practice or an incipient unhealthy trend? In a word, does our responsibility as citizens take priority over our obligations as a corporate industry, trade association or chamber of commerce organization man?

"I think citizenship comes first. Even in shaping corporate and combined industry policies and programs, it should come first. But it should come at the time of shaping those policies and programs. If the group action conflicts with one's concepts as an individual or a citizen, and he is not willing to conform to the fundamental policy that is adopted and he sees no possibility of changing or improving the policy, he should get out —and be free to get out without direct economic reprisals.

"On this point there can be no question or doubt, otherwise no organization could be effective, and citizenship would be subordinated to the group or organization. Obviously, in all other areas not covered by voluntary agreement, the individual must remain free.

"The action of every large corporation influences the national economy, and what it does commercially should be related publicly to broad national problems and purposes. Neither the individual nor the corporation should stay within the commercial fence and pretend the world outside is not of concern in every area.

"There is no superficial issue involved here. Millions of theoretically free individuals are immobilized and half-paralyzed in their citizenship responsibility because they are either unaware of what should come first or are unwilling to face the consequences of personal independence. *The organization man with greater sense of loyalty to the organization or group than to his country or beliefs is not a theoretical thing in America.* It is altogether too widespread, and it is not limited to closed shop unions. It is too widespread in most organized fields.

"I have observed some of the personal penalties that inevitably follow action on the conviction that after responsibility to the Creater and to family, nothing takes precedence over citizenship responsibility.

"I have observed, however, that action as an individual citizen is not only worth far more in personal satisfaction than avoidance of any resulting reaction; in my judgment, it is the absolute core of human freedom.

"We have a take-it-or-leave-it choice individually. We must either act with the conviction and exhuberance of free individuals engaged in a purposeful collaboration with out Creator, our fellow citizens, our fellow workers and our fellow industry members—in that order—or rick the danger of falling short in our greatest responsibilities.

"There should be no question basically about our choice because most progress starts with the individual. Free individuals and free organizations have been the mainspring of American progress. It springs from the thousands of associations, chambers of commerce, service clubs, business organizations, social organizations, unions—and most of these are a reflection importantly of some individual. Our progress does *not* spring from bureaucracy, respite our increasing tendency to look to government to supply the initiative and leadership."

MEANING IN OUR LIVES

Concluding, Mr. Romney quoted the Rockefeller report "Pursuit of Excellence"—"'What most people, young or old, want is not merely security or luxury, although they are glad enough to have these. They want meaning in their lives. If their era and their culture and their leaders do not or cannot offer them great meanings, great objectives, great convictions, then they will settle for shallow and trivial meanings.'

FIFTY-FOURTH ANNUAL CONVENTION CALLED TO ORDER—Scene at the speakers table just prior to the opening of the annual meeting. Left to right: Carlos Campbell, Executive Vice President and Secretary, National Canners Association; the Reverend Kenneth Hildebrand, Minister, Central Church of Chicago; Mrs. Rosemary Murphy, Mrs. America of 1961; Milan D. Smith, NCA President; George Romney, President of the American Motors Corporation, featured speaker; and John C. Hemingway, incoming NCA President.

"I think that meaning for Americans and others will be found in the principles of our unfinished American revolution. To get on with it, we must place greater emphasis on education and intellectual excellence. We must provide for the dispersion of the excessive power of unions and industry. We must eliminate the basic conflict in our national economic policy between the antitrust laws, which are premised on the principle of competition, and the labor and collective bargaining laws which are premised on the principle of monopoly. Those two principles are irreconcilably in conflict.

"We must put political party control clearly in the hands of informed citizens, rather than excessively in the hands of economic minority pressure groups. We must put our primary reliance on voluntary cooperation rather than government action.

"Finally, we must reestablish industrial democracy as a basic economic objective. Our future success will depend not on mere production primarily, but on achieving a superior application of our basic principles to our problems and the problems of others. If there is any man in the world trying to awaken America to this, it is Dr. Malik. He recently concluded a talk with this statement: 'Success does not come from wealth, fame or power. Success comes from seeking, knowing, loving and obeying God. And if we will seek, we will know, and if we know, we will love, and if we love, we will obey.'

"Obeying God does not obliterate the material results of the successful cooperation of free individual man, but infuses all their striving with a sense of divine collaboration and purpose.

"This is the only way a bridge of freedom between peoples can be fully and solidly built—and even in this age of exploding technology, organizational complexity and need for world order, it can be built only individual by individual. It is up to each of us—and whenever we do anything just or right individually, we contribute to the strengthening of freedom everywhere."

MRS. AMERICA PAYS TRIBUTE

Sharing the platform with Mr. Romney, Mrs. Rosemary Murphy, Mrs. America of 1961, won the hearts and the acclamation of the large audience, not only with her poise and charm, but because of the many nice things she had to say about canned foods.

A Kentland, Indiana, homemaker, the attractive 32 year old mother of five children aged 11 to 4, was chosen from 51 finalists, representing every state and the District of Columbia, as outstanding for her homemaking skills, as well as for her personality, charm, poise, good grooming, and community interests and activities.

Annually some quarter of a million American houseswives enter the Mrs. America Contest. The majority of them, Mrs. Murphy reported, list cooking as their favorite homemaking activity. The preparation of a green bean casserole, made with canned green beans and a can of cream of mushroom soup, helped Mrs. Murphy win the coveted crown. As evidence of the popularity of canned foods in producing nourishing, imaginative and convenient meals for the families of America, Mrs. Murphy reminded her canner audience that the 51 finalists in the Mrs. America competition, had already gone through a series of homemaking eliminations to be selected top homemaker in their respective states. Naturally, then, she said, they took their best recipes with them for the final contest in Fort Lauderdale last June.

There were three separate events calling for the preparation of food, she said. These included the preparation of a casserole recipe, the baking, frosting and decorating of a cake, and the preparation of a refrigerated dessert.

A total of 28 soups went into the 51 casserole entries. Her audience was even more elated to learn that a total of 64 canned vegetables, more than the number of casseroles themselves were used in the casserole preparation, not to mention the 16 cans of fish, meat and fowl, 7 cans of broth or gravies, 7 cans of tomato sauce or paste, and another 7 cans of olives and pickles, and even 1 can of fruit. 35 of the 36 canned fruits used during the national competition were utilized in the cake baking and refrigerated dessert event. "Yes," said Mrs. America, "it's safe to say that as manufacturers of canned and processed food, you played a vital role in the Mrs. America National Homemaking Contest last June as many of your fine products found their way into cakes, refrigerated desserts and casseroles for a total of 178 times when a can or jar was opened for the preparation of 153 different recipes."

The Mrs. America Contest, said Mrs. Murphy, not only salutes the American Homemaker, "it also salutes American industry, and particularly are manufacturers of consumer products for the home. Because it is *you*, the forward thinking manufacturers and processors of canned foods who have made possible the very image I havebeen selected to represent—today's emerged homemaker, who has more time, energy, and ability to take a final role in American society."

Labeling jokes about the can opener old fashioned, Mrs. Murphy stated that only a real "square" has to slave over a stove these days. She expressed appreciation to the canning industry for providing the real fun in cooking. "While it is possible, healthful and tasteful to serve food directly from the can, the Mrs. Americas of today do not always do this. Their look upon much of their canned foods as raw materials from which to concoct tantalizing dishes to put before their families. Their reward is measured in second helpings and the gusto with which the dish is received . . . her family would never guess that some of the most scrumptious dishes take as little effort as they do, and wise woman that she is, she'll never let them know her secret."

OFFICERS AND DIRECTORS

On motion of past president Edward E. Burns, the following slate of officers and directors was unanimously approved:

John C. Hemingway, president of H. C. Hemingway & Company, Clyde, New York, and a fourth generation canner, was named President of the Association for 1961. He succeeds Milan D. Smith, president of the Smith Canning & Freezing Company, Pendleton, Oregon.

Robert C. Cosgrove, vice president corporate planning of the Green Giant Company, Le Sueur, Minnesota, was named to the office of Vice President. Carlos Campbell was continued in office as executive head of the organization, with the new title of Executive Vice President and Secretary.

SMITH TO SUCCEED CAMPBELL

Previous to the report of the Nominating Committee, Mr. Hemingway had announced the action of the Board of Directors in appointing Milan D. Smith to the office of Executive Vice President and Secretary of the Association, succeeding Mr. Campbell, effective September 1, 1961. Mr. Campbell had been secretary of NCA since 1945, and a member of the Association Staff since 1934. Although up for retirement this year, the Board also approved the continuation of Mr. Campbell's services on special assignment. Mr. Smith, who maintains a residence at 5517 Chamberlin Avenue,

Chevy Chase, Maryland, will take over full time as executive manager of staff activities and programs beginning the first of September.

DIRECTORS ELECTED FOR A THREE-YEAR TERM: Gerald Black, Black & Gay Canners, Inc., Thomaston, Maine; James Bradley, W. L. Wheatley, Inc., Clayton, Del.; Milton E. Brooding, California Packing Corporation, San Francisco, Calif.; Ralph Day, Ackley Food Processors, Inc., Ackley, Iowa; John T. Hall, Sterling Cooperative, Inc., Sterling, N. Y.; Orlin E. Harter, Harter Packing Co., Yuba City, Calif.; L. Verne Hass, Libby, McNeill & Libby, Honolulu, Hawaii.

Grover Howard, Baron Canning Co., Westville, Okla.; J. O'Neill Jenkins, Thomas Foods Corp., Frederick, Md.; R. W. Jensen, Treesweet Products Co., Fort Pierce, Fla.; Emil Lapeyre, Jr., Grand Caillou Packing Co., Inc., Houma, La.; A. H. Mendonca, F. E. Booth Co., Inc., San Francisco, Calif.; P. H. Paulson, Morgan Packing Co., Austin, Ind.; A. H. Randall, United Growers, Inc., Salem, Ore.; R. A. Rice, Gypsum Canning Co., Port Clinton, Ohio.

J. A. Ross, Grocery Store Products Co., West Chester, Pa.; Wm. Schorer, Jr., Sauk City Canning Co., Salk City, Wis.; Ambrose E. Stevens, Ocean Spray Cranberries, Inc., Hanson, Mass.; Angus Stevens, Stevens Canning Co., Roy, Utah; F. Y. Tiernan, H. J. Heinz Co., Pittsburgh, Pa.; Floyd E. Williams, Libby, McNeill & Libby, Chicago, Ill.; Robert L. Wilson, Faribault Canning Co., Minneapolis, Minn.; D. B. Wood, Wood Canning Co., Stockton, Calif.

DIRECTORS WHOSE TERMS HELD OVER: Morton Adams, Burns-Alton Corp., Alton, N. Y.; J. P. Arthur, Shenandoah Valley Apple Corp., Winchester, Va.; Charles Bailey, Monmouth Canning Co., Portland, Maine; J. E. Baldwin, Snively Groves, Inc., Winter Haven, Fla.; Luke F. Beckman, The Minster Canning Co., Minster, Ohio; K. S. Benedict, Alexander & Baldwin, Ltd., San Francisco, Calif.; Paul Benson, Green Giant Company, Le Sueur, Minn.; Emmett Blackinton, Blackington & Son Canning Co., Ogden, Utah; F. Webster Browne, Snow Flake Canning Co., Brunswick, Maine; S. B. Bush, Bush Bros. & Co., Dandridge, Tenn.; William E. Butterfield, Butterfield Foods, Inc., Muncie, Ind.;

David L. Dulany, Dulany Foods, Inc., Fruitland, Md.; J. J. Edwards, Besco Products Co., Zebulon, Ga.; A. D. Elabarger, Keystone Cooperative Grape Assn., North East, Pa.; Robert K. Free, Hunderford Packing Co., Inc., Hungerford, Pa.; Charles W. Gardiner, XLTN Food Products, Inc., Los Angeles, Calif.; Max J. Gorby, California Marine Curing & Packing Co., Terminal Island, Calif.; Ira C. Jones, Gem Canning Co., Emmett, Idaho; Earl W. Kale, C. S. Kale Canning Co., Everson, Wash.; Horace E. Kelley, Jr., H. E. Kelley & Co., Inc., New Church, Va.; Glenn E. Knaub, Brooks Foods, Inc., Collinsville, Ill.; Kurt S. Kneiske, Mammoth Spring Canning Co., Sussex, Wis.; Paul Korn, St. Marys Foods, Inc., Delphos, Ohio.

Stephens J. Lange, Owatonna Canning Co., Owatonna, Minn.; John McGowan, Columbia River Packers Assn., Inc., Astoria, Ore.; P. N. Mark, Tri-Valley Packing Assn., San Francisco, Calif.; J. T. Menzies, The Cross & Blackwell Co., Baltimore, Md.; Gary S. Morgan, John C. Morgan Co., Traverse City, Mich.; Lewis H. Moore, L. H. Moore Canning Co., McAllen Texas; Alfred A. Morici, Contadina Foods, San Jose, Calif.; O. V. Otteson, Friday Canning Corp., New Richmond, Wis.; Earl A. Randall, North Ogden Canning Co., Ogden, Utah; P. V. Rea, United States Products Corp., Ltd., San Jose, Calif.; Gus Robert, The Cudahy Packing Co., Omaha, Nebr.

P. A. Schmith, Stokeley-Van Camp, Inc., Indianapolis, Ind.; James Sclafani, Violet Packing Co., Williamstown, N. J.; George C. Seybolt, Wm. Underwood Co., Watertown, Mass.; John Shafer, Hawaiian Pineapple Co., Ltd., San Jose, Calif.; Loyal E. Shannon, Otoe Food Products Co., Nebraska City, Nebr.; Farmer Smith, Stayton Canning Co. Cooperative, Stayton, Ore.; Robert E. Snively, The Illinois Canning Co., Inc., Hoopeston, Ill.; Edward C. Steele, The Red Wing Co., Inc., Fredonia, N. Y.; S. G. Tarrant, Pacific American Fisheries, Inc., Bellingham, Wash.; M. K. Tescher, Kuner-Empson Co., Brighton, Colo.; Vernon Whitney, Walla Walla Canning Co., Walla Walla, Wash.; Ray B. Wakefield, Gerber Products Company, Fremont, Mich.

RESOLUTIONS

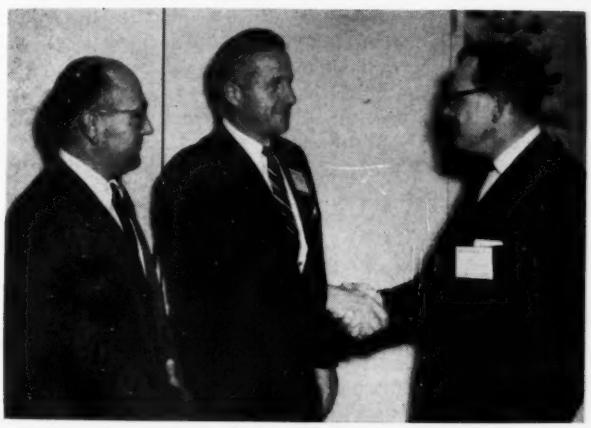
Resolutions reaffirming the industry's opposition to state or local laws and requirements which interfere with the inter-state distribution of food products that are wholesome and informatively labeled; reaffirming the industry's opposition to regulation of canning crops by either Federal or state law, were unanimously approved.

The convention resolutions were presented by A. Edward Brown, past president of the Association, and Chairman of the Resolutions Committee.

Resolutions expressing sincere appreciation to NCA President Milan Smith, Secretary Carlos Campbell, and the staff, to guest speakers, allied trades, and the press, were also approved.

The convention paid solemn tribute to the memory of colleagues who had passed away during the year. These included Morril Allen, R. N. Ball, Harold O. Berryman, Joseph R. Braden, Sidney B. Cutright, Thomas C. Dennehy, Jr., Frank J. Fay, Guy P. Halferty, John R. Hinton, Alfred T. Hipke, Richard R. Hipke, Hal W. Johnston, A. T. Leatherbury, Earl Chapin May, William H. Ritter, John W. Rose, Emil Rutz, and Edwin S. Thorne.

INTERSTATE BARRIERS—A free competitive economy in a large and



Retiring President Milan Smith, right, congratulates incoming NCA President Jack Hemingway, while new Vice President Robert C. Cosgrove, looks on.

On exhibit during the Convention in the lower lobby of the Conrad Hilton and open to the public, was this cutaway family fallout shelter, built to exact recommended dimensions. The shelter was manned continually throughout the Convention and couples actually cooked a mid-day meal each day. In the shelter are shown Fr. Robert Devany, who recruited the couples, and volunteers Mr. and Mrs. Edward Johnson. On the left will be seen the recommended 14 day supply of canned foods for 2 adults and one infant. At the microphone for opening ceremonies Saturday, January 21, Major General John L. Homer, U. S. Army retired, newly appointed Illinois State Civil Defense Director, and Milan D. Smith, 1960 President of the National Canners Association.

CANNED FOODS FOR SURVIVAL

World War II demonstrated that when cities like Rotterdam and Amsterdam have their public utilities—refrigeration, gas, electricity, water mains—knocked out, canned foods were for days the sole source of food and drink for the population. It has also been demonstrated in tests simulating conditions of modern nuclear warfare, that canned foods under every form of storage, and in different types of housing, offered no impairment of flavor and nutritive value, and were found impervious to fallout and radio activity.

Consequently the Office of Civilian Defense (OCDM) in its literature advising the household as to how to prepare for the possibility of nuclear attack, and other disaster situations, recommends canned foods for both shelter and mobile emergency food supplies.

With this in mind, and to demonstrate the adaptability of canned foods in situations of this kind, the National Canners Association had on display in the lower lobby of the Conrad Hilton, an actual fallout shelter, cut away so that the public could view and talk with volunteers who manned the shelter continually during the Convention. There was also a display of the actual canned foods required for 2 adults and one infant, for the 14 days recommended by OCDM.

All of the volunteers, a different couple for each day, were members of a well known Chicago family—the Mullaney family. Recruited by Father Robert Devany, himself a Mullaney (on his mothers side), and Assistant Pastor of St. Carthage Church, the couples donated their services in return for 100 cases of assorted canned foods, which were to be distributed to the needy of the Parish and were donated by members of the National Canners Association. Fr. Duvany in turn saw to it that the volunteer couples had baby sitters from the Parish on the days of their civil defense service. Each of the couples cooked a noon day meal to prove that fallout shelter life with canned foods could be normal. Jo Ann Schorpit, Home Economists for Libby, McNeill & Libby, planned tempting menus for the mid-day meals. For example the Sunday menu included pineapple juice for an appetizer, pear shaped ham for the entre, sweet potatoes, a salad of cut green beans and cut wax beans with Italian Dressing, melba toast, green and ripe olives, pound cake with butterscotch sauce and fruit cocktail for dessert, with a choice of instant coffee, tea or reconstituted dry milk for the beverage.

The 14 days emergency supply for a family of 2 adults and one infant, worked out from official OCDM classification included 28 cans or jars of evaporated milk, 12 cans of meat, 6 of fish, 8 of soups, 12 of fruits, 12 of vegetables, 12 of juices, 24 of cereals and baked foods, 26 of assorted baby foods, 6 jars of spreads and relishes including catsup and chili sauce, 2 boxes of candy and nuts, 2 jars or cans of instant coffee, 1 box of tea bags, 1 can of cocoa, and 6 jars of water—3 one gallon and 3 five gallon.

diversified country can effectively serve the public interest and the particular needs of individual consumers only if it is permitted to function on a national scale. To do so it must remain free of unnecessary local restrictions on the distribution of its products. This Association has constantly supported food regulations, federal or state, that affords benefits to consumers. It has opposed state or local regulations that impose hampering requirements which needlessly impede the free flow of the nation's food supply from producer to processor to consumer. The National Canners Association reaffirms its determined objection to all local or state regulatory requirements that specify particularized labeling requirements, or that prohibit ingredients authorized by Federal law, or that peculiarly standardize products to reflect local preferences. These constitute unwarranted interstate barriers and defeat the national interest of consumers, canners, and growers alike.

REGIMENTATION OF CANNERY CROPS—The canning industry has been enabled from year to year to improve upon its efficiency of operation and to keep pace with the burgeoning demand for its production only because it has been relatively free of unwarranted government regulation and interference. The individual opportunity to exercise independent business judgment, based upon hard-earned experience and accumulated knowledge, has made canners acutely aware of their responsibility to pack an appealing, nutritious and abundant supply of canned foods to satisfy the demands of buyers and consumers in all parts of the country. Mandatory production controls would impinge upon that independent judgement and largely nullify the future efforts of the industry in continuing to make quality its basic hallmark and the consumer its economic master. This Association has resisted all past attempts to include canning crops within mandatory Marketing Order legislation. Congress has consistently recognized the superiority of private competitive enterprise over a system of rigid market regulation and control of canning groups and canning, and has refused in the interests of growers, canners, and consumers alike to permit the application of compulsory marketing orders to canning crops. This Association again endorses that Congressional policy and continues to oppose any extension to canning crops of compulsory Marketing Order controls under the Federal Agricultural Marketing Act or any similar state statute.

FOOD EDITORS CONFERENCE

Monday, January 23

Presiding: Milan D. Smith, President, National Canners Association

Food Editors have always been very important people to the National Canners Association, and particular to Miss Katherine R. Smith, Director of the Consumer Service Division. With the adoption of the Consumer and Trade Relations Program as a regular Association function, Miss Smith conceived the idea of inviting food editors to the convention, where they are wined, dined and properly oriented.

This year 62 food editors from areas across the country accepted the invitation. The affair was begun with a luncheon that would have challenged the imagination of any of these experts present. Following this most enjoyable repast, the editors heard a welcome from Miss Smith; listened to a explanation of the NCA Protective Director of NCA's Information Divi- Screen Program by Nelson H. Budd, sion; learned some consumer economics from Executive Vice President and Secretary Carlos Campbell; heard what they might expect in the way of legislation affecting canned foods consumers from R. B. Heiney, Assistant NCA Secretary; looked on with admiration as Mrs. Rosemary Murphy, Mrs. America of 1961, told how she makes use of canned foods in her cooking; heard a description of the NCA Descriptive Labeling Program from George E. Steele, Jr., Director of that program; and learned what the equipment manufacturer is doing to reduce the cost and increase the quality of canned foods from W. D. Lewis, Secretary of Canning Machinery and Supplies Association.

PROTECTIVE SCREEN

Mr. Budd explained that the Association's Protective Screen Program centers on the proper use of proper agricultural chemicals, and is designed to prevent contamination of the raw product and the processing of any contaminated raw product. "Concern about safety and wholesomeness is nothing new to the canning industry," said Mr. Budd, "it is a past, present and future preoccupation of canners." He stressed the fact that the canning industry's record of cooperation with government agencies is outstanding. "It has been publicly acknowledged by every Food and Drug Commissioner from Wiley to Larrick and by most secretaries of agriculture." The fact is, he said, the canning industry is just as eager as government to protect the consumer and give her the best possible product. "Canners found out long, long ago that good food is good business, and that their brand name is their guarantee to the consumer."

Describing the NCA Protective Screen Program specifically, Mr. Budd told the Food Editors that the Association in 1960 issued 11 membership bulletin supplements and 26 Pestiside News Letters containing information on legally permissible uses for chemicals in agriculture; visited experiment station directors all over the country, consulting with them and helping them establish state programs; contacted growers and canners at special meetings all over the country.

In addition, he said, the NCA Laboratories are working constantly to develop the best washing, peeling and preparation procedures to remove any objectionable residues from raw products before canning. Current pro-

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PEA AND BEAN HULLING SPECIALISTS

cedures, he said, are already so efficient that Food and Drug Administration authorities consider them more thorough than manual cleansing by even the most diligent housewife.

Emphasizing the crucial importance of chemicals to successful agriculture, the speaker revealed that in the last half century population of this country has nearly doubled, while agricultural population has decreased from 35 to 12 percent. "Every farmer working an acre of land now has to feed approximately three times as many people as that farmer and acre fed 50 years ago. Largely this has been made possible by the use of proper chemicals properly used. The problem is not to eliminate the use of chemicals, use to use the safe ones wisely. And this essentially is the object of the NCA program.

CONSUMER ECONOMICS

Following the Borad of Directors Luncheon on Sunday, Carlos Campbell presented a philosophical discussion of the fundamental difference between consumer economics wherein the stimulus for production comes from the consumer's demand rather than from a planned governmental economy such as that proposed by the "New Frontier." While he didn't give the Food Editors "both barrells on Monday, this is as good a place as any to summarize his address.

The falacy of the growth program which depends on government planning and direction of increased production, he said, "can be stated very simply by saying that wealth is not creased unless labor and capital are put to producing goods that consumers want and for which they are willing to pay money. Only if wealth is created could there be taxable profits that would swell the coffers of government to be used on the many welfare programs which are the end requirement of this scheme of increased production."

"The canning industry," he said, "stands for the preservation of the individual's economic freedom, it supports those who try to protect the right of the individual to make his own free choices, and to reap the resultant rewards or to suffer the resultant penalties . . . I would like to point out here, for the benefit of those who worship the god of increased productivity, that the canning industry considers it only as the means to an end and not an end in itself. Equitable distribution of the benefits of this increased operating efficiency is the objective. The canning industry supports the thesis that these benefits cannot be equitably distributed by a government agency that dictates to the industry. Such equity can more nearly be achieved as a result of the competition which obtains when individual men are free to make their own choice, reap the rewards of their own management, and suffer the losses when that judgment is not good. The canning industry has supported the view that under such a system there will be steadily increasing dividends to be distributed among consumers."

Explaining how the consumer benefits from this type of an economy, Mr. Campbell continued, "The consumer participates in the benefits of increased productivity not as a claimant but as the beneficiary of the economic system. Benefits have been passed on to the consumer of canned foods in the form of increased quality, greater convenience of the finished product, as well as in the form of retail canned food prices that have not increased as rapidly as the prices of other foods. Retail prices of fruits and vegetables are now only 13 percent higher than they were during the base period years of 1947-49. Prices of other foods which reflect to some degree the high level farm support programs are much higher. . . . The average industrial worker can buy with one week's take-home pay at the corner grocery or supermarket, 52 percent more canned fruits and vegetables at today's prices than he could have purchased with one week's take-home pay during the 1947-49 period at prices that prevailed then.

"The canning industry's interest in improving the welfare of the consumer is not a do-good policy, but is rather an expression of an enlightened self-interest. It is, in fact, the measure of confidence the industry has in its belief that the individual canner's selfish interests will be best served by his constantly striving to satisfy the consumer."

TWO SETS OF FOOD BILLS

Consumers would be well advised to take a long, hard look at some of the Federal legislation which is allegedly designed to protect their "interests,"

CANNED MONEY—Treasure chest brand of genuine freshly minted silver dollars was the new product distributed as attendance awards for the various sessions of the Convention. Food Editors didn't have to draw, each receiving her own special treasure chest at the Food Editors Conference. Shown here, displaying this popular new product is Janet Elliott of Vend magazine.

(R photo) Chatting at Food Editors Conference during Convention were Miss Louella G. Shouer, "Ladies Home Journal"; Mrs. Rosemary Murphy, Kentland, Ind., who is Mrs. America of 1961; and William A. Free, Hungerford Packing Co., Hungerford, Pa. Mrs. Murphy told Food Editors that the 51 Mrs. America finalists used 64 canned vegetables, 28 canned soups, 16 cans of fish, meat and poultry, and a number of other canned foods in their casserole dishes during the competition. All together their recipes called for 178 cans or jars of various products in the preparation of 153 different recipes.

Robert B. Heiney, assistant secretary of the National Canners Association, told the Food Editors.

Mr. Heiney pointed out that the interests of the consumer and the canner are identical with respect to the subject of food bills. That includes both bills the consumer pays at the gocery store as well as bills introduced in Congress under the guise of solving "consumer problems."

Food editors, Mr. Heiney noted, have long been aware that smart homemakers can control the size of the food bills they pay, as well as add variety to their menus, by using canned foods. The canning industry, for its part, has long recognized that the consumer is its ultimate "boss" and has attempted to identify and satisfy her needs for wholesome, nutritious canned foods, in convenient sizes and attractive containers, descriptively labeled. Competition within the industry, unfettered by production controls and other bureaucratic schemes, has assured the consumer of reasonable prices.

On the basis of recent statements by members of the Congress and others, as well as the legislation which has been introduced or proposed at this session of Congress, it appears said Mr. Heiney that the food industry, with the help of food editors and other opinion-moulding groups, must be prepared to alert the consuming public to the dangers of such discredited proposals as mandatory grade labeling, mandatory container standardization, mandatory controls on the production and marketing of canning crops, and other proposals of this type.

Otherwise, Mr. Heiney warned, American consumers may end up by paying for two sets of food bills: one at the grocery store and the other, indirectly, because of ill-advised legislation which is supposedly designed to protect their interests.

DESCRIPTIVE LABELING

George Steele, Assistant to the Secretary of NCA, then explained for the Food Editors the Association's stand on descriptive labeling. With descriptive labeling, he said, the consumer may read the label with the assurance that a can of food may be offered for sale only if the food is pure and wholesome, and the container made of safe material. Descriptive labeling, he said, enables the housewife to know a great deal more about the product than the law requires, so that she can make her own judgment of the quality rather than depend on an indeterminate grade, the basis of which is unknown to her.

The law, he said, requires that a label list the product name, the style, and the net contents of the can. Descriptive labeling goes beyond the legal requirements and includes a good product picture, and brand name to facilitate identification by consumers, the facts about product size, color, seasonings, number of servings and cups, and often a recipe panel with serving suggestions.

Concerining flavor, Mr. Steele had this to say: "As there is no unanimity about flavor, the canning industry feels that it is unwise and misleading to establish or indicate what may be presumed to be general preferences. Most canners agree that it is more useful to state physical characteristics of products which can be objectively and scientifically measured and let each purchaser make her own selection. By the use of descriptive labeling, canners try to tell the consumer exactly what she is getting when she buys a can or jar of food."

MRS. AMERICA

Feeling the pulse of her predominately female audience, Mrs. Rosemary Murphy, Mrs. America of 1961, provided an intimate account of her experiences as Mrs. America, and how it feels to be Mrs. Murphy one minute and in the next minute become Mrs. America.

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The mother of five children in Kentland, Indiana, admitting that there have been some changes in the Murphy household since her selection, expressed appreciation to the Mrs. America headquarters staff for minimizing those changes, and "safeguarding with a stern vigilance my usual role as wife, mother, and homemaker."

She gave credit too, to an understanding husband, and to the convenience of canned foods for their help in making the adjustment. "Especially when it comes to cooking, convenience products make an enoromous difference. I wouldn't think of cutting up beans, or making apple sauce when I can open a can and get such good food. The same time it would take me to do the kitchen chores of peeling and preparing fruits and vegetables can be used for making them interesting."

With particular reference to the change in her family life, she explained that she does not "tour" as Mrs. America. "I make appearances throughout the country but I'm scheduled to do this for short periods of time and then I'm home again with my family so that I'm not an absentee wife and mother.

"Whenever an appearance schedule or date permits, I take one of my children with me on a visit to another city, and many times I'm accompanied by my husband. Not only has this given them a chance to share in some of the fun, but it has helped them understand some of the obligations and responsibilities that go with my new role."

She explained also that her travels have been a great boon to the childrens' geography lessons, since they spot the many cities she visits on their big map of the United States, and they literally bombarded her with questions on her return.

THE CONSUMERS INTEREST IN THE EXHIBIT

W. D. Lewis, Secretary of the Canning Machinery & Supplies Association, invited the ladies to make a tour of the Exhibits, to talk with the engineers, and to see first hand the machinery and equipment that has enabled the processor to provide scrupulously sanitary canned food products at such an attractive price to the conumer. He mentioned briefly the painstaking care, the patient and time consuming research that goes into the development of the new seed varieties, to produce flavorful disease-resistant strains of fruits and vegetables especially for canning.

Following Mr. Lewis' remarks, the session was concluded and the Food Editors personally escorted through the Exhibits by members of the Forty Niners, a service organization for the Canning Machinery & Supplies Association. On completion of the tours the editors enjoyed cocktails as guests of Miss Smith and her associates in the NCA Consumer Service Division.

THE INSTITUTIONAL MARKET

Marketing Session, Tuesday, January 24
Presiding: Dr. H. L. Stier, Director, NCA Division of Statistics

ECONOMIC PROS AND CONS OF CANNED FOOD USAGE

At the January 1960 meeting of the NCA Board, the fact finding study of what is known about the profitability of canned foods to restaurants, and other institutions, was authorized as part of the Consumers Trade Relations Program. The project was turned over to the New York management consultant firm of Nejelski & Company. James Scully, executive vice president of that firm, had on the platform with him Robert L. Jenkins, account executive of Allied Food Services Corporation, one of the firms that is cooperating in the study. The report, then, was in the form of questions and answers between Mr. Scully and Mr. Jenkins, Mr. Jenkins presenting the composite opinions of the cooperating volume feeding operators.

As an introductory Mr. Scully provided background information on the size and scope of the market.

"This is a market," he said, composed of 35 categories of operations, who serve an estimated 75 to 80 million meals a day. It employs approximately 2,800,000 people. It is the fourth largest retail market with estimated food and liquor sales of $17 billion. Of this total an estimated $14 billion is represented by food sales. It is further estimated that in 1959 all categories of public feeding establishments spent approximately $7.9 billion for the food supplies necessary to support these sales.

"It is a concentrated market," he pointed out. "Approximately 21 percent of the restaurants do 61 percent of this total business. More than 70 percent of this total business is done in 9 states. Indeed, 33.9 percent of the market's potential is to be found in 15 metropolitan areas."

Through questioning Mr. Scully obtained an admission by Mr. Jenkins that the restaurant people have been every bit as slow as the canning indus-

1961 OFFICERS AND DIRECTORS CANNING MACHINERY & SUPPLIES ASSOCIATION—Left to right, seated, Albert A. Caretta, Caretta & Counihan, Association Counsel; President William A. Vaughn, American Can Company; Vice President Robert A. Sindall, A. K. Robins & Company; Ex-Officio Officer John C. Swift, White Cap Company, Division of Continental Can Company. Standing, left to right, W. D. Lewis, Association Secretary; Directors C. Melvin Carlson, Canner/Packer (newly elected); J. Munson Lee, Lee Metal Products; W. J. Nighbert, Link Belt Company; T. A. Wood, William J. Stange Company; A. E. Heekin, Heekin Can Company; and Harold L. Link, Food Machinery & Chemical Corporation (newly elected).

try in obtaining detailed, or even adequate cost information.

Confronted with the proof that a given number of portions of fresh vegetables requires 3,250 hours in preparation as compared with 62 hours and 5 minutes preparation time for the same portions of canned vegetables, Mr. Jenkins wondered out loud "why so many of us continue to treat canned foods as a sort of emergency ration."

Preparation and cooking costs of fresh vegetables were related to a 3 ounce portion cost as follows: Beets 2¢, Corn3⅛¢, lima beans 7.6¢.

Mr. Scully pointed that by using canned foods the valuable time of skilled help can be devoted to doing more useful things, such as salad making, baking, and other important chores. Also, he said, unessential preparation space can be used to increase selling or service areas. He reminded Mr. Jenkins, also, that dry storage space is the least expensive storage that can be bought. Shelves, for instance, cost a nominal $1.47 per cubic foot as compared with $42 per cubic foot for freezer space.

PRICE AND QUALITY

Mr. Jenkins chided the canning industry for taking the public feeding industry for granted. Very few canners, he said, know our needs, and they refer to all of us under the collective title of "institutions." Admitting there are some tough and even unreasonable buyers, Mr. Jenkins pointed out that quality comes first, and that usually it is the salesman who brings up the question of price himself. Failures in the restaurant business, he said, can be directly traced to the price operator.

In mild criticism he asked canners to make sure that drained weight, count, and product description is included on the label—eliminate overcooking because cooking is our business—appearance is important to us. Eliminate broken or unattractive products.

ADAPTING CANNERS MARKETING PLANS AND POLICIES TO THE INSTITUTIONAL MARKET

J. B. Weix, Jr. of the Oconomowoc Canning Company, Oconomowoc, Wisconsin, and Chairman of the NCA Consumer and Trade Relations Committee, followed Messrs Scully and Jenkins on the platform.

Mr. Weix first defined the market. Total of all foods purchased in the United States, he said, is estimated at $63 billion annually. The restaurant institutional market is estimated at $17 billion. Of this $17 billion an estimated $900 million is spent for fruit and vegetables. About 35 percent or $315 million is spent for canned fruits and vegetables.

Of this total about one-third is procured through the bid system—approximately $50 million per year to the Quartermaster, and about $65 million per year to the School Lunch and some $25 million of canned fruits, vegetables and juices go to institutions served by state governments.

The individual or department charged with responsibility for selling the bid market, Mr. Weix said, should be familiar with the company's sales forecast procedure, and limitations. Secondly, he should be familiar with national packs, supplies and market quotations. He must work closely with his production and planning people to permit flexibility during the canning season.

Concerning the institutional wholesaler, Mr. Weix highlighted two elements necessary for continued successful sales in that area. The first, he said, is the necessity of continued personal contact. Secondly, he said, to operate successfully in dealing with a number of institutional wholesalers, company reputation must be sacred.

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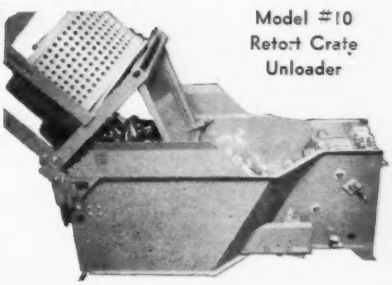

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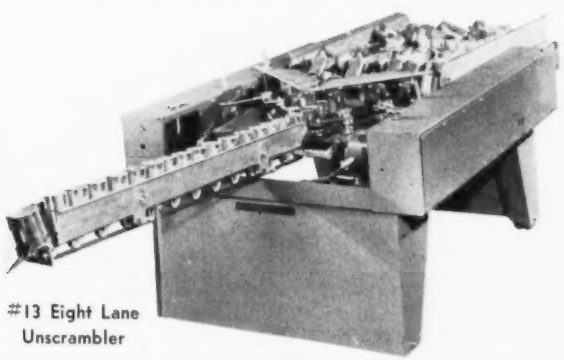

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Speaking of the continuing demand in the institutional field for something new and something better, Mr. Weix strongly urged that some person, or group in the company, be charged with the specific responsibility for the development of improved products or processes. On such an important function, he said, obviously many people in policy positions will be involved. "Nevertheless, there should be one individual or department specifically charged with overall responsibility in this area."

He suggested also, that when considering a new product or process, it should result in *demonstrable superiority*, that is evident to the ordinary consumer. "In other words, the improvement or the change should result in an improvement anyone can see." This one policy, he said, can prevent the firm from doing expensive development work on products that do not catch on, and save the canner from going into expensive capital improvements that do not pay off.

MEETING THE DEMAND OF THE INSTITUTIONAL BUYER

Ora D. Chidester, vice president, John Sexton & Company, outlined what it takes to sell the institutional buyer.

John Sexton, he explained, covers the entire country, including Hawaii, Puerto Rico, and Alaska, and there is an export department for foreign business. The company has been supplying the institutional market, particularly that portion of the trade that feeds people who are eating out, for over 77 years. Canned foods are the largest portion of Sexton's business. Items packed by the company include soups, preserves, jellies, meat products, pickles and many other quality items. They are in addition, one of the largest single purchasers of No. 10 canned foods.

QUALITY

Warming to his theme of how best to sell public eating houses, Mr. Chidester stressed quality—quality of the product and quality of the package. Some of his suggestions: 1—Improved packaging of No. 10 cans, avoid scuffed labels and dents. 2—End opening cases with divided end flap are not the answer. Overlapping end flaps on an end opening case that a label could be applied to, might be the answer. 3—Provide realistic label allowances. 4—Consider a 2 percent cash discount for immediate payment, with strictly enforced terms. 5—Automation has brought on problems. Somewhere along the line quality is being side lined. To offset, more supervision on the sorting tables is indicated, for instance (a) the new peeling method for pears has not improved the appearance of the product; (b) mechanical picking, which is not far away, will present new problems. 6—Pineapple canners have increased the count of slices from 50 to 52 and 60 to 64 without materially affecting the appearance of the slice. Many vegetable canners have done the same. 7—Strict adherance to a policy of close inspection of the sorting tables in green and wax beans, should be observed to avoid defects such as sluffed and loose beans, poor snipping, etc. 8—Creamstyle corn is the weak item in growth in the corn line. Cooking time for tens has to be reduced and equipment must be developed that will do this. 9—Technical advances are the key to future improvements and a profitable operation. The canning industry can expect a big increase in the movement of canned foods through the type of customers it covers if they keep in mind that this trade demands *uniformity* of product. Uniformity, Mr. Chidester explained, means that the size of the units canned is close to being equal, for instance, a 30-35 count is much more desirable than a 30-40 count. 10—The institutional buyer wants flavor and proper color.

FREE TRADE A FOREIGN THREAT TO U.S. ECONOMY

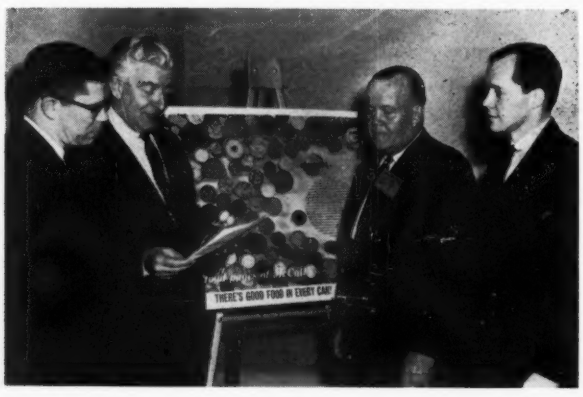
O. R. Strackbein, chairman of the Nation-wide Committee on Import-Export Policy, speaking at the Fishery Products Conference on Tuesday, January 24, presented a strong case for higher tariffs.

"Our country," he said, "will not again see the burst of purchasing power, nor will industry enjoy the benefits of handsome profits that the recent era brought if "these twin benefits are sacrificed to a free trade philosophy, pushed insensibly to foolish goals out of season."

The real trouble, he said, stems from the fact that "both domestic and foreign economies have been profoundly reshaped in the past quarter century; more particularly, so far as Europe and Japan are concerned, since 1945." Since that time, thanks to the Marshall Plan, we have shipped abroad over $30 billion in up-to-date mechanical equipment. At the same time we provided extensive technical and managerial education and training. The result of all this modernization abroad was a great increase in productivity overseas.

Yet while our own wages were soaring, foreign wages although showing an upward swing, were slow in getting underway in their climb. We have now reached a point, he said, where our earstwhile economic wards, friend and enemy alike, now enjoy a gaping competitive advantage, thanks to their increased productivity and technical know-how and their comparative low wage scale. Meantime, he reminded his audience, our tariff defenses have been stripped to only 20 percent of their average height of 1934.

The speaker pointed out that this growing competitive dislocation and maladjustment remained hidden for many years behind vast public expenditures at home and abroad, and the tremendous increase in population here at home. "It was only when we began moving from under the anes-



Better understanding of the needs of the various special groups of buyers in the public feeding industry and closer attention to product quality will result in a tremendous increase in canned foods consumption in this market, it was predicted by speakers at an institutional marketing session. They were, left to right, J. B. Weix, Jr., Oconomowoc Canning Co., Oconomowoc, Wis., speaking for canners; James C. Scully, Executive Vice President, Nejelski & Co., New York, speaking for the food service industry; Ora D. Chidester, Vice President, John Sexton & Co., Chicago, speaking for the wholesaler; and Robert L. Jenkins, Allied Food Services Corp., who assisted in Mr. Scully's presentation.

thesia of the sellers' market that pain began to strike us; and it began to strike in places long regarded as immune to foreign competitive fracture, i.e., the mass-production industries. The dollar shortage helped precipitate the showdown. It pulled us back to the world of reality."

As a defensive measure against encroaching imports and shrinking exports, much of our industry as is mobile and large enough and possessed of sufficient capital reserves, have made manufacturing arrangements abroad. The effect of this outward movement, he said, is to subtract capital from the needed domestic economic expansion and to reduce employment opportunity. That means a natural slow down in our economy. If, on the other hand, steps are taken to stimulate exports by subsidation, or so to speak to prime the pump in this country, our foreign account will continue out of balance and gold will continue to flow out. "The same result," he said, "under present circumstances, i.e., gold outflow, will follow any substantial reduction of interest rates in this country as a means of stimulating our economy."

In this way, Mr. Strackbein led up to his conclusion, previously stated here, that we have no other choice than to either increase the tariff or place a ceiling on wages to account for the differential abroad.

FOOD SCIENCE SESSION

Tuesday, January 24

Presiding: C. L. Rumberger, H. J. Heinz Company

FOOD TECHNOLOGY AROUND THE WORLD

Dr. K. F. Meyer, director emeritus, Hooper Foundation for Medical Research, University of California, at the outset disclaimed any responsibility for the title of his address. "The title of this address," he said "is definitely embarrassing because the speaker is not an expert in food technology." Be that as it may, he provided an interesting account of the eating and nutritional habits of people the world over, based on his observations during extensive travel.

Little attention, he said, has been paid to dietetics in India, a country where diets vary widely and were mostly based on such factors as availability of food stuffs, religious and customary inhibitions, and personal prejudices, as well as poverty itself. The Indian diet, he said, varies from one area to area as one would expect in a country of its size and varied climate. The general estimate, he remarked, is that the caloric intake of the population in India is more than 10 percent below minimal requirements.

A serious food problem faces India. The program covering 1956-61 includes measures to develop irrigation, develop and extend use of fertilizers, manure, improved seeds and improved agricultural practices. Programs to develop animal husbandry, dairying, fisheries, poultry, forest and soil conservation, development of cooperative institutions and warehousing also form part of the Plan. In preparing a continuity plan, first priority is given to the expansion of food production. Latest reports by a student of the Indian Institute of Technology tell of a small pilot study with a small fruit and vegetable packing plant at Nagpur, Central India. In Consular and Embassy circles even a meat packing plant is visualized in the near future.

In the Far East, the speaker said, people rely almost solely on fish for their animal protein; fish culture then, he said, in one form or another is found in every sector. This is true, also, in many parts of Africa.

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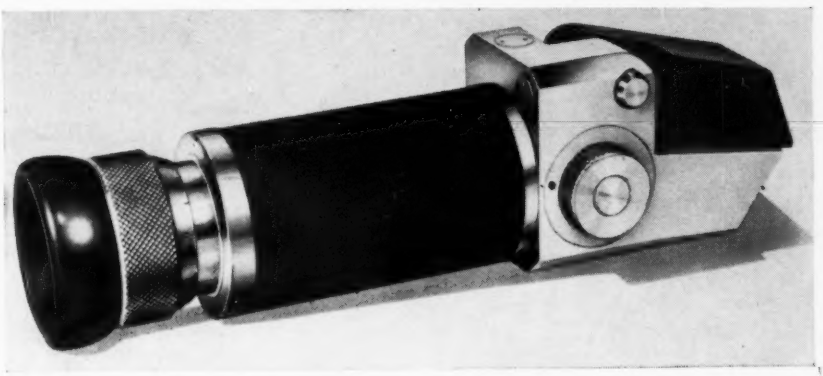

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throughout India and Africa, would make it possible to return an enormous quantity of organic matter to the soil. That way cereal production could be increased, soil and wind erosion checked, and yield of all crops, therefore, increased.

Speaking fleetingly of the progress of food technology in the USSR, Dr. Meyer said that the industry is of considerable standing and is continuously improving thanks to an early start shortly after the Revolution and the importation of technicians from England and the United States.

Concluding, he left his audience with the thought that "Aside from providing technical advice to improve the preservation of the limited food supply, the countries having the cornucopia of abundance must share their surpluses with the less blest, and thus contribute to freedom from hunger."

MODERN TRENDS IN THE NUTRITIVE VALUE OF FOOD SUPPLIES

Dr. Charles Glen King, executive director, the Nutrition Foundation, spoke of the significance and the application of recent advances in nutrition research.

He pointed out, for instance, that the identification of zinc as a constituent of at least three types of enzymes has served to emphasize its importance as a plant food. So too, he pointed out that though the quantities of the newly discovered essential elements such as cobalt, molybdenum, selenium, and chromium, required in the animal organism are extremely small, this fact does not detract from their importance in biologic functions.

An important practical result, he said, is to give greater emphasis to the use of meats, seafoods, leafy vegetables, whole cereals and legumes as excellent sources of balanced quantities of these elements.

Another reason why these recent discoveries are highly significant, he said, is because of the increasing evidence that the quantitative relationships to one another are very important for normal functioning both in plants and in animals. Hence the safety and desirability of using a variety of foods from specific food groups is now on a more firm basis than ever before. "Guess work, economic risks and malnutrition tend to disappear with each advance in knowledge about the mineral elements.

He dwelled at some length on the growing knowledge of protein quality, protein functions, and protein analysis, as well as the role of fats and oils in nutrition.

HITS ZERO TOLERANCES

Admitting that "meticulous care is needed to prevent undue risks to human and animal health in the use of agricultural chemicals, food products and food additives," Dr. King stated that during this period of transition, undesirable trends and tensions are likely to occur. "There is need," he said, "to be forthright, however, in challenging vigorously any measures that do not meet the fundamental and constitutional requirement of interpretation in the light of reason and scientific judgment."

"One of the critical needs," he said, "is to correct legislative acts and administrative policies based on the false and unscientific concept of 'zero' tolerances. In place of the unsound absolutism implied by 'zero' tolerances, the fundamental principle should be to provide for safety on the basis of reason and scientific judgment. Both in principle and in practice, very low ranges of concentration of chemical material would have no biological significance. Each substance should be appraised in terms of:

(a) Quantities too small to be significant;

(b) Quantities that become biologically significant, either favorable or unfavorable to the organism;

(c) A quantity above which injury is likely to occur; and (in the case of useful nutrients),

(d) An intermediate quantitative zone in which the substance is either essential or safe and useful."

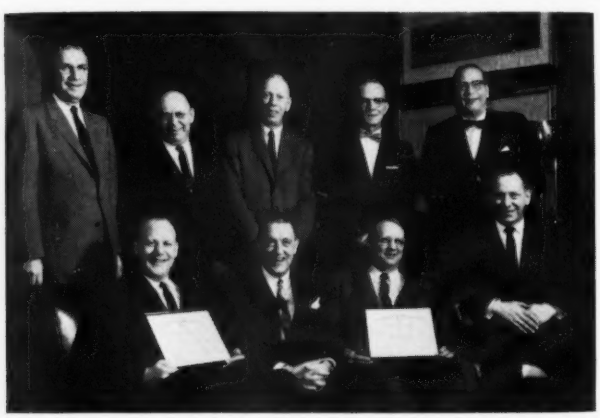
OTHER PARTS OF THE WORLD

Speaking of the need abroad, Dr. King remarked that development of international markets for our abundant food supply represents an area of great importance and merits vigorous attention. However, he said, in order of priority, the greatest need in most instances is for trained and experienced personnel, both in science and in management, so that they may improve their own techniques in food production and thus raise their standards of living.

Secondly, he said, there is generally a crucial need for modern equipment with which to produce, process and distribute foods of high nutritive quality. The most urgent nutritional need in underdeveloped countries, he remarked, is for good quality protein foods for children in the age range 1 to 4 years. This, he said, "is without doubt one of the greatest problems for the world at the present time."

FOODS ARE CHEMICALS

Dr. Emil M. Mrak, chancellor, University of California at Davis, concluded a most interesting session with a paper that promises to be used for many years to come to refute consumer hysteria concerning the use of chemicals and additives in food. It is our guess, also, that it will be used extensively to assure the use of reason and sound judgment in formulating laws and regulations regarding the use of chemicals in foods.



WARNER HONORS 50-YEAR SUBSCRIBERS—"Canners Exchange," Lansing B. Warner, Inc., industry fire insurers, with their own Fiftieth Anniversary four years ago, which coincides with the anniversary of the National Canners Association, inaugurated the custom of recognizing those canning firms with a record of 50 years coverage with the "Exchange." This year certificates were awarded to representatives of the Winorr Canning Company of Circleville, Ohio, and the Green Giant Company of Le Sueur, Minnesota, as successors to the Keene-Belvidere Canning Company. In the four years that have elapsed since it became possible, 46 firms have become members of this select group. Shown in the photograph, left to right, are (seated) Dave Orr, Winorr; John Eliot Warner, L. B. W. Chairman; Dewey Gerlach, Green Giant; Ed Clark, Winorr; (standing) Joe Feeney, L. B. W. President; Vern Otto, Green Giant; Merle Dickelman, L. B. W.; Phil Smith, Winorr; and Newton Tobey, L. B. W. Ex. V. P.

Dr. Mrak briefly traced the development of knowledge concerning the composition of foods. Accumulation of scientific knowledge, he said, on the chemistry of foods really is quite recent, and our trouble with the consumer is probably the result of this recent knowledge, and our tendency to use the mysterious chemical names for constitutents rather than referring to such foods in terms of calories, proteins, vitamins and minerals, which the consumer is able to understand. "It was not necessary for the consumer to be confronted wtih frightening organic nomenclature or with structural formulas, or even to glance upon these complicated and horrible looking things." As information about these naturally occurring chemicals appears in the literature, it is often misunderstood by the dedicated person, and unfortunately, misused by a small number of poison pen artists."

Dr. Mrak described the chemical composition of an apple to prove his point that many of the chemicals found naturally in foods have an objectionable inference to the consumer. He pointed out that there are changes in flavor and color, chemical changes in themselves during the ripening of fruit. Some of these, he said, may be actually toxic if ingested in extremely large quantities. In this connection he mentioned selenium which occurs in foods and feed. Selenium is a potential carcinogen when taken in large amounts. The concentration in grass in certain areas is so high that it is harmful to cattle. At the same time it is thought that seleniunm in minute quantities is beneficial and perhaps even essential. For instance "Torula" yeast may be so low in selenium that it may cause liver changes in rats. Dr. Mrak rhetorically asked what would happen if we should add traces of selenium to "Torula" yeast for animal food or even human food. "I'm certain the dedicated objectors would object—and then too—what about the Delaney clause, for selenium is a potential carcinogen when taken in large amounts."

Dr. Mrak concluded with a strong plea that the food industry, chemical manufacturers and all concerned, embark on an educational program to get the true facts before the consumer. "This program," he said, must be a broad spectrum one and must be well planned and carried out over the years. It must hit all segments of our population."

MECHANICAL HARVEST AND HANDLING OF TOMATOES

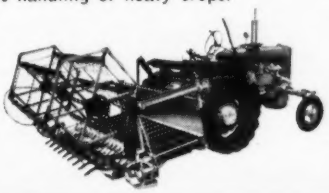
Tuesday, January 24

Panel Moderator: A. C. Moll, Stokely-Van Camp, Inc.

Five of the research men involved in this exciting project answered the NCA call to present their evaluation of progress. In addition to Moderator Moll, three of these were heads of canners' raw product departments. These included Max D. Reeder, H. J. Heinz Company; S. G. Younkin, Campbell Soup Company; and O. C. Zoebisch, Libby, McNeill & Libby. The other two from state Ag. colleges were: S. K. Ries from Michigan State University, and B. A. Twigg, of the University of Maryland.

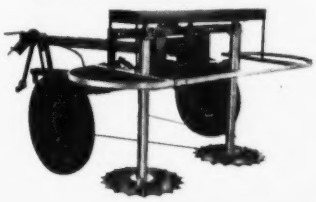
Kickoff man Reeder said that there were six different machines under test, all still in the experimental stage. None of these, he said, had enough capacity in 1960. Although some left as much as 5 to 10 tons of tomatoes on

TRACTOR-ROWERS: Cut and windrow. Heavy duty design for fast, efficient handling of heavy crops.



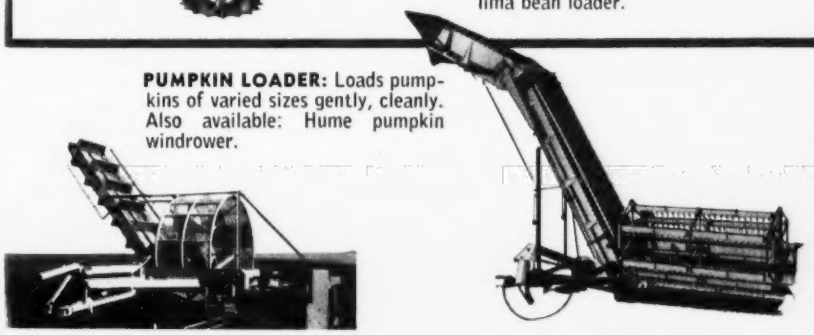
GREEN CROP LOADERS: Fast, dependable loading even under severe crop and weather conditions.

LIMA BEAN CUTTER: Cuts two rows at once, placing in single windrow. Cuts below crown, reducing pod damage. Harvests cleaner, with minimum of roots, dirt.



CUT-LODE HARVESTERS: For once-over harvesting of spinach, greens, green peas — converts to lima bean loader.

PUMPKIN LOADER: Loads pumpkins of varied sizes gently, cleanly. Also available: Hume pumpkin windrower.



PEAS?
PUMPKINS?
SPINACH?
LIMA BEANS?

HARVEST THEM BETTER WITH HUME

H. D. HUME COMPANY
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BRANCHES: Hume Products Corporation
Mechanicsburg, Penna. Beaver Dam, Wisconsin

the ground, generally speaking, the machines did a good job of getting fruit off the vines. All of the machines brought up too much soil.

Damage, said Mr. Reeder, is still excessive, but much of it can be corrected with wider elevators, and by reducing the number of "drops" as the tomatoes pass through the machine to the discharge. The only varieties, he said, that can be harvested today without too much damage are the pear-shaped varieties.

MICHIGAN STATE

Professor Ries brought with him a full report of 1960 work at Michigan State, in which Ries and Austin, from the Department of Horticulture, Stout from the Department of Agricultural Engineering, and Bedford, Department of Food Science, cooperated. Chisholm-Ryder Company constructed the machine and the Campbell Soup Company sponsored the field research.

A completely new machine was designed in 1960, incorporating the following major changes: (a) The main elevator chain was widened from 30 to 48 inches; (b) The separating bed was widened from 30 to 48 inches, and lengthened from 36 to 42 inches; (c) Provisions were made for a sorting platform where the green or broken fruit, and foreign material could be removed manually; the platform accommodates up to 6 men; (d) A device was added which enables the harvested fruit to be gently lowered into bulk boxes on a separate trailer pulled alongside the harvester.

After the break-in period, when a few modifications were necessary, most of the 1960 tests were devoted to a study of varieties and handling systems.

HANDLING—The mechanical harvest of tomatoes with the Michigan State University machine using lugs (8-inch and 12-inch deep bulk boxes) caused no appreciable increase in No. 2 or crushed fruit, compared to hand harvest. However, cracks over 1 inch long were two to three times as great for mechanical harvest compared to hand harvest. The juice yield was also about 3 percent less for mechanical harvest than for hand harvest into all types of containers.

As the depth of box increased the fruit cracks greater than 1 inch long increased. This increase was greater for machine than for hand harvested fruit. The samples from the bottom 4 inches of all containers had more cracks than those from the top 4 inches.

Water handling was no better than dry handling and the quality was appreciably lower if the tomatoes were held longer than 24 hours.

The handling methods did not affect the acidity, soluble solids, or pH. Based on this single year's experience, the 12-inch deep bulk box appeared to be the most practical container for handling machine harvested tomatoes.

Other quality measurements, mold count, color, soluble solids, and total solids are critical. These measurements will be made on the processed samples.

VARIETIES — Simulated once-over harvest over a 3-week period indicated that both Fireball and C-52 responded the same. The total ripe yield reached a peak and maintained this peak for 10 days; however, during this period there were more deteriorated fruit and the juice yield decreased.

Two varieties, Libby C-52 and Fireball did not yield higher when grown in dual rows one and one-half feet apart or in populations of more than 4,350 plants per acre.

Of all the materials tested for cutting down the effect of dropping, sponge rubber and ordinary canvas belt with "give" caused the least amount of cracking.

The results of two direct seeding were favorable for 1960. Yields o Heinz 1370, Fireball and Libby C-5 were all greater than 20 tons per acr for both planting dates.

In the replicated variety trials th following varieties look most promising when grown under East Lansing conditions: Cornell 54-149 and Fireball for early varieties; Libby C-52 and OSC 425-4 for midseason; and Heinz 24 for a late variety.

MARYLAND

The experiments at the University of Maryland, said Dr. Twigg, were designed to discover the feasibility of hauling tomatoes in water and had nothing to do with mechanical picking. All of the tomatoes were picked by hand into 5/8 baskets.

The experiments started in the Lab in 1959 where tomatoes were held under water for varying lengths of time up to 64 hours. At this maximum time there appeared to be a slight decrease in soluble solids though there was very little weight change, and no difference in pH.

The 1960 experiments were more on a commercial scale. The tests involved a number of loads of tomatoes shipped to the Campbell Soup Company plant both in 5/8 baskets and in water. The hauling time was some 20 hours.

The first objective was to find out how much water to use. In closed tanks 40 inches high it was found that 12 inches was too little and 24 inches too much, with 18 inches just about about ideal. The researchers found that more tomatoes can be hauled in the same space in water. At the end of the run 92 percent of the tomatoes were usable as compared with 90 percent in baskets. As the temperature of the water increases the bacteria count rises. Chlorine was used to control this. Ice was considered too expensive. There were more minor damages in

OLD GUARD OFFICERS—First Vice President D. W. Reynolds, Reynolds Brothers, Inc., Sturgeon Bay, Wisconsin; busy at the mike and partly hidden, Secretary John Dingee; retiring President Bob Eirich, H. S. Crocker Company, Baltimore; Second Vice President Fred W. Geise, Country Gardens, Inc., Milwaukee; and 1961 President Fred M. Moss, Idaho Canning Company, Payette—all Diamond Pin Members Except John Dingee.

the water-hauled tomatoes, more major damage in those hauled in baskets. At the end of the run the fly egg count in baskets ranged from zero to 31, in water from zero to 2. Conclusion: Flies can't lay eggs under water.

CAMPBELL SOUP AND LIBBY

Both Mr. Younkin (Campbell Soup) and Mr. Zoebisch (Libby) emphasized that varieties are needed that will keep the canning factories busy continuously during the season. Mr. Zoebisch pointed out, for instance, that heat units do not have the same effect on tomatoes as they do on peas, so that the problem cannot be solved by early or delayed planting. Two days' delay in planting, he said, means just one day delay in harvesting.

Mr. Younkin stated that none of the varieties available today will meet requirements. Some of the pear-shaped are not too bad from a damage standpoint, but pear-shaped tomatoes are not suitable for general use. He stressed also that the ultimate variety must separate from the stem at the tomato to bring damage control down within reason. Breeders, he said, are faced with a formidable problem and he predicted it would probably be at least four or five years before a tomato specifically designed for mechanical harvesting is available.

DROSOPHILA CONTROL

NCA's Dr. Mahoney said that 1960 proved that dusting immediately after harvest as recommended for each basket as picked, does a job. A slight change in the formula for the dust will be recommended this year. An NCA bulletin covering the subject, he said, will be available in about a month.

Clive Denning of the NCA Research Laboratory, pinchhitting for J. M. Reed, briefly outlined the tomato washing studies in the NCA Research Lab last year. Hot water, he said, appeared to be as effective in removing flat sour spores as cold water with a detergent. Transporting in chlorinated water, they found, may help.

Dr. Twigg of the University of Maryland, doing double duty, emphasized also that control should start immediately after harvest. In-plant washing, however, is also necessary, he said. He quoted the studies of Dr. Wilbur Gould of Ohio State, and of Dr. Maurice Siegel of Strasburger & Siegel, recommending a soak-wash-rinse setup, and indicating that detergents should be used when cracking is bad.

Dr. Twigg emphasized that it is necessary to remove the dirt before the dirt gets into the washer.

STATISTICAL QUALITY CONTROL CLINIC

Tuesday, January 24

Presiding: Dr. H. L. Stier, Director, NCA Division of Statistics

ORGANIZING FOR QUALITY CONTROL

Mr. Leonard Seder, quality control consultant of Malden, Massachusetts, explained the concept of the new modern quality control. Quality control, he said, has grown up and has a greatly enlarged scope compared with its progenitor. It has, he said, been called "total quality control," with these objectives:

1—To assure that the company's products meet the customer needs.

2—To assist in achieving optimum quality costs for these products.

Such a function, he said, "is therefore concerned not only with the conformance of product specifications, but with the very generation of those specifications, and the economic decisions that enter into the setting of quality levels and targets."

He explained further that "the concept of 'Total Quality Control' embodies the important idea that there is a break-even point in quality, as there is in everything else. Not 'quality for the sake of quality,' but 'Quality consistent with the economics of the market' is the new war cry."

APPLICATION TO FOOD PROCESSING

In the application of these, Mr. Seder pointed out that a food processing company must be organized to handle two different but related broad types of quality problems:

1—The day-to-day quality problems of agricultural raw materials, packaging materials, process control, acceptance of outgoing product, disposition of sub-standard product, surveillance of co-packers, audit of plant quality, and a host of others. These, he said, represent the effort to maintain a quality level and have been called "the problems of maintaining the status quo."

2—The long range quality problems of improving customer satisfaction, reducing complaints, eliminating off-grade product, developing better processes, inventing new quality measurements, cutting quality costs, improving quality-mindedness, and others. These

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are the deep-rooted problems representing an effort to achieve a breakthrough to a new level, and are called "problems of changing the status quo."

The speaker then went on to list the basic quality maintenance activities, together with a partial check list of questions to judge whether a company is getting the full measure of value from these activities. In all of these he suggested a systematic plan of inspection, judgment, report, and action. He discussed in detail the quality improvement activities listed in No. 2 above, stressing that it is important that one or more individuals be free from other day-to-day activities to devote their efforts to the identification of the major chronic problems, to the development of programs to solve these problems, and to the planning of quality or new products so as to avoid these problems in the future. The absence of a separate person or group so charged, he said, means that it is unlikely that these jobs are being done so that the company is at best just "holding its own" without making any significant progress in the quality area.

SQC PANEL

Following the address of Mr. Seder a panel of quality control experts from the canning industry exchanged ideas and answered questions from the large and interested audience.

The panel consisted of Messrs. Bruno Filice, Filice & Perelli Canning Company, Richmond, California; Gerald Desmond, Gerber Products Company, Oakland, California; Robert Fry, Continental Can Company, Inc., New York; C. B. Way, Green Giant Company, Le Sueur, Minnesota; and Andrew Irvine, Campbell Soup Company, Camden, New Jersey.

TRADE PRACTICES-LEGISLATION & REGULATION

Wednesday, January 25
Presiding: H. Thomas Austern, Chief Counsel, National Canners Association

Simon N. Whitney, director, Bureau of Economics, Federal Trade Commission, explained at the onset that the reason for the FTC economic inquiry into food marketing is because in October 1958 almost a third of all pending complaints of restraints of trade, and of price and other discriminations, came from this industry.

An essential feature of the Commission's economic studies, he said, is the mandatory power to gather information. Section 6 of the Federal Trade Commission Act, he explained, gives the Commission authority "to require . . . corporations engaged in commerce . . . to file with the Commission in such form as the Commission may prescribe . . . reports or answers in writing to specific questions, furnishing to the Commission such information as it may require . . ."

There is a current extensive use of Section 6, he said, in a legal investigation running parallel to the Bureau of Economics statistical investigation. The legal inquiry is part of an all-out effort to enforce the Robinson-Patman Act and to enforce it fairly and evenly on all. While the economic questionnaires were not drawn specifically to discover without further corroboration violations of the law, the Commission lawyers have often and will probably continue to study the Bureau of Economics findings in the present survey.

Old Guard Secretary John Dingee presents retiring President Bob Eirich his Past President's Pin.

CHAIN STUDY

Mr. Whitney summarized briefly the findings of the Chain Study published in May 1960 as a staff report:

1. Corporate chains of 11 or more stores, although their number declined from about 210 to about 180 due to mergers, increased their share of food sale from 29 to 38 percent between 1948 and 1958 (39 percent in 1960), and their share of grocery store sales from about 35 to 43 percent (nearly 45 percent in 1960);

2. Eighty-three chains acquired 2,500 stores in 1949-58 (three-quarters of them since 1955), and two-thirds of these were acquired by 10 large chains;

3. Twenty percent of the growth in sales of all chains from 1953 to 1958, and the same percent of the growth of the 10 largest chains, resulted from mergers, another 20 percent was through growth of existing stores, and the remaining 60 percent came from opening new stores (note, however, that chains account for 75 to 80 percent of new supermarkets currently opened);

4. Retailer-owned cooperatives accounted for an estimated 8 to 9 percent of all food store sales in 1948, and 15 percent in 1958, while stores sponsored by wholesalers were an estimated 14 and 18 percent in these years—a greater gain by these groups than that of the chains;

5. This leaves for unaffiliated independents less than 30 percent of food store sales in 1958, as against nearly 50 percent in 1948, while almost 100,000 one-store grocers went out of business in that period;

6. Corporate chains procured only about 3 percent of their 1958 supplies from service wholesalers, 3 percent from affiliated wholesalers, 8 percent from their own plants, and 86 percent from producers and processors;

7. Four-fifths of the 8 percent self-manufactured consisted of bread, coffee, meat and dairy products (28, 18, 17 and 16 percent, respectively), with frozen and canned products only 8 percent of the total;

8. The 8 percent of self-manufactured products was down from about 10 percent in 1954, so that, even after adjusting for the lower price of coffee in 1958, there was a slight drop in

the degree of vertical integration in that period.

Mr. Whitney explained that the FTC Bureau did not feel in position to make policy recommendations based on this statistiscal information. In other words, the report did not indicate whether the Bureau thought vertical integration by chain stores is "good" or "bad." Extensive recommendations, however, he pointed out, were made by the House Select Committee on Small Business derived from the facts on concentration in food distribution. Explaining the discrepancies between the Commission's report and the Subcommittee report concerning the share of corporate chains in certain cities, Mr. Whitney pointed out that the Commission's lower figures were based on reports by the chains, and the Committee's higher figures on market surveys. Figures cited, the lower figure being the Commission's as stated, were: Denver 60 percent and 84 percent; Bridgeport 51 and 76 percent; Atlanta 48 and 64 percent. "Whichever method is better," he said, "both show that there is a much higher concentration of food store sales in individual cities than in the national market."

CANNERS QUESTIONNAIRE

The speaker explained that the canners questionnaire was dated October 19 and due back December 31. Extensions have been granted to February 15, after which the tabulations will be returned. He emphasized a few points related to answering the questionnaire as follows:

"1. The questionnaire must be answered (there is a fine of $100 a day for not answering after receipt of a default notice) by any corporation in interstate commerce (something which lawyers say applies to almost every seller nowadays);

"2. It must be answered in full—we are requiring more complete answers, with extra trouble to them, from many canners whose returns have been received—and I would like to add that the questionnaire was much reduced in size before going out, compared to what our own statisticians wanted;

"3. You are allowed to estimate where necessary, if you do not distort;

"4. We do not plan to publish any trade secrets or confidential material, although the Commission has the power, which it rarely exercises, to make public anything except trade secrets and names of customers.

"Our special interests in this questionnaire include in fact everything in it, but I'll mention specifically:

1. The degree of integration back to the grower;

2. Mergers and concentration;

3. The breakdown of sales by customer classes—if you cannot give this, and only your sales agent can do it, you should name your sales agent;

"4. Sales promotion plans—we consider them a normal form of competition, but they must conform to the requirements of law, which the Commission has attempted to sketch in this Guides for Advertising Allowances I have here, and which you may obtain by a postcard to the Commission."

FROZEN FOODS STUDY REPORT

Mr. Whitney explained that an interim report on the frozen food study will be issued the coming week as a staff report to the Commission. He summarized this report as follows:

1. The merger movement is active in frozen foods as elsewhere. From 1950 through 1959, 27 producers made acquisitions of others to the extent of $140 million in assets; and 6 acquired $9 million in farms, orchards and groves. There was a small offset in the shape of disposal of $17 million in processing facilities by 9 freezers.

2. Fifty-four of the 74 facilities involved in 64 acquisitions were acquired in the last 5 years of the 10-year period covered.

3. Individual, independent growers were the direct source of at least 72 percent of the produce consumed by freezers for each vegetable covered in our survey, and of 78 percent for strawberries. The exceptions were oranges, only 31 percent; and other fruits and berries, only 48 percent. Only in these two did growers' cooperatives play a major role as suppliers of raw produce or as frozen food producers—38 percent for oranges, and 45 percent for strawberries. The cooperatives' shares elsewhere were between 0 and 16 percent. Integration into farms owned by processors ran low and fairly even, from 5 percent for potatoes to 13 percent for spinach.

4. The young frozen food industry shows the considerable concentration one finds in older and larger manufacturing industries. The 10 largest producers accounted for 54 percent of total sales in 1959 (the average manufacturing industry in 1954 would have shown over 60 percent according to Census data); the 30 largest accounted for 75 percent; and the 50 largest for 84 percent. This left only 16 percent to the remaining 208 firms answering the questionnaires.

5. The questionnaire asked for the percentage of total sales which went to any of the 10 largest food chains. Eighty-eight out of 242 producers for which data are now available made no sales to such chains; the other 154 sold an average of $1 million each to them.

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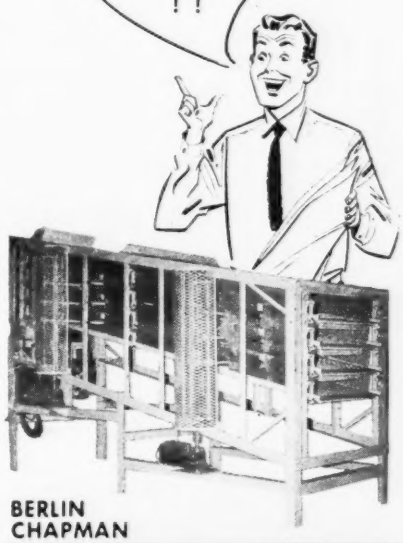

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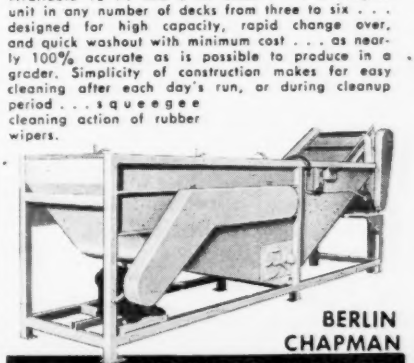

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Eighty-one sold less than 20 percent of their own sales to these outlets; 50 sold from 20 to 50 percent; and 23 sold from 50 to 100 percent. The 23 also, as it happens, averaged sales of $1 million each to the chains.

6. Each of the 10 chains bought at least 82 percent of its frozen fruit, juices and vegetables from producers who sold it less than 30 percent of their sales. In fact, three chains bought 99.8 percent or more of their supplies from producers selling them less than 10 percent of the producers' total sales. In this industry, the really captive producer tied to the apron strings of a single buyer is a rarity—only two chains bought (3 and 4 percent of their supplies, respectively) from producers selling them more than half of their total output.

7. Of $692 million sales reported by brands, 68 percent consisted of the packer's own brand, 26 percent of the customer's brand, and 6 percent was unbranded.

8. Most producers, as would be guessed from these percentages, sold mainly packer-brand frozen goods—38 percent sold 90 to 100 percent of their sales under their own brands; 16 percent sold 59 to 90 percent thus; 33 percent sold 1 to 50 percent; and the remaining 13 percent did not have brands of their own.

9. Of the sales of the freezers to the 10 largest chains, 57 percent are under the customers' brands. Of all other food distributors, only 16 per cent are under customer brands. On sales to manufacturers (including bakers) 26 percent are of customer brands, 36 percent are unbranded, and the remaining 38 percent are packer brands.

TRADE PRACTICES LEGISLATION

Some Philosophies and Prophecies

The Honorable James Roosevelt, Democrat, California, and chairman of the House Small Business Committee's Subcommittee No. 5, currently investigating small business problems in the food industry, explained some of the philosophies underlying the Congressional concern for the welfare of small business. "The essence of the American economic system of private enterprise," he said, "is free competition." He reminded his audience of the importance of small business to our war effort, and declared that "small business, no less today, forms a large part of the broad base upon which our economy is founded in producing what is necessary for the defense of the free world." He pointed out that West Germany, and other Western European nations have discovered our private enterprise system of free competition, and that their recovery has been largely due to the fact that individual and small business firms have blossomed and grown.

BANKRUPTCIES

Describing the urgency of the situation, Congressman Roosevelt pointed out that in the fiscal year ending June 1960 "110,034 bankruptcy petitions were filed in the United States Courts. This," he said, "was by far the largest number in the history of the country. In fact, almost twice as many firms and individuals were bankrupt last year as in the peak depression year of 1932."

The Congressman referred briefly to the hearings held by the Subcommittee beginning in June 1959 (all of which are well known to readers of this publication) and referred to the report of that Subcommittee to the Committee as a whole entitled "House Report No. 2234," published December 27, 1960. That report, he said, "took into account our philosophy and public policy providing for a free and competitive enterprise system." It also covered the conclusions of the Subcommittee and recommended legislation regarding trade practices.

Of particular interest to the industry the Committee concluded "That the largest part of the increase in the marketing system share is accounted for in the gross retail markup. In other words, the changes in the 10-year spreads cannot generally be laid at the door of the producers or food manufacturers and processors."

SHELF SPACE

Concerning shelf space the Committee admitted that "shelf space is control of the market space and the denial of that brand of access to the market place . . . In present-day self-service food marketing, the only access to the consumers is through the retail shelf. Shelf space is as limited as are the broadcasting channels on the airways. The man who controls the allocation of retail shelf space in large measure controls what may be marketed."

Even so, the sum total of the Committee's action in this important area consisted in a preliminary conclusion "That this may be a questionable area . . . . I can assure you that the Committee will continue to pay close attention to that vital and basic premise in food marketing."

SIMULTANEOUS INVESTIGATIONS

Concerning the charge that it is an unnecessary burden upon the food industry to be subjected to two investigations at the same time, one by the FTC and one by the Congressional Subcommittee, Mr. Roosevelt pointed out that the two agencies, to some extent, have different interests, different emphasis. He also mentioned that the Committee unlike the Federal Trade Commission is able to travel and meet the people face to face, and in that way obtain a better grasp of the problem to be used in recommending corrective legislation.

COMMERCIAL SUICIDE

The Congressman did not pretend to know the answer to the problem of the dangers involved in requiring a canner to testify against his customer. He stated simply that the Committee's job is to get the facts, and to do so it is necessary to hear both sides. Where

DIAMOND PIN OLD GUARDERS—Of the 14 Old Guard members awarded their Diamond Pin, which designates 50 years of service in the industry, five were present to accept them personally. They are, left to right, T. T. "Ted" Vandervort, Sr., Jamestown Canning Company, Wilmington, Ohio; Ralph C. Rosecrance, J. L. Clark Manufacturing Company, Rockford, Illinois; G. J. Coxe, Whitewater Canning Company, Whitewater, Wisconsin; J. Pearce Hollabaugh, Biglerville, Pennsylvania; and W. W. "Wally" Evans, Fall River Canning Company, Fall River, Wisconsin.

there are demonstrative reprisals, he said, the case will be referred to the Department of Justice for prosecution.

RECOMMENDATIONS

The Committee's report (mentioned above), he said, contains recommendations for new legislation, and for a step-up in the enforcement of existing laws regarding trade practices. "Briefly," he said, "we recommend that the Department of Justice, the Federal Trade Commissions, and the Packers & Stock Yards Administration be provided with greater resources and otherwise encouraged to bring about more expeditious and effective enforcement of existing anti-monopoly laws . . . specifically, we recommended legislation which would strengthen our anti-trust laws, to prohibit discriminatory pricing practices and a strengthening of the anti-merger laws."

Among these, he said, was one to strengthen the law against large buyers inducing and knowingly receiving unjust and injurious price discriminations. The Bill introduced by Mr. Patman on this point is HR-124.

In response to NCA Counsel Austerns' oft repeated questioning as to why enforcement agencies ignore coercive and abusive practices of large buyers and proceed instead against sellers, the Congressman replied that "In large measure, who should be proceeded against is a function of law enforcement." He assured his audience, however, that the Subcommittee has not overlooked this aspect of the problem and that further study will be given to it.

Evaluation of Protective Screen Program

Wednesday, January 25

Moderator: Dr. C. H. Mahoney, Director, NCA Raw Products Research Bureau

The Experiment Station and Extension Service viewpoint on the Protective Screen Program was presented by Dr. Ordway Starnes, director of New Jersey Agricultural Experiment Station at New Brunswick, and the regulatory viewpoint by Dr. W. L. Popham, assistant administrator, Regulatory Programs, Agricultural Research Service, USDA.

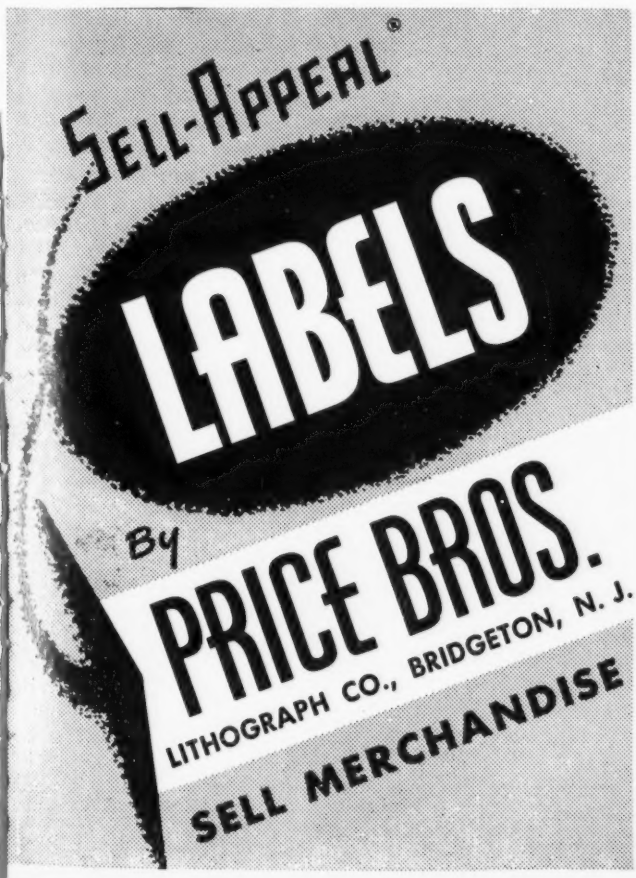
The canner and grower viewpoints were presented by three State and Regional Association Secretaries.

CALIFORNIA

R. J. Marsh, secretary-treasurer, Canners League of California, reviewed the steps in that area to implement the NCA Program. The League, he said, sought and obtained the cooperation of the California Freezers Associaiton, the Dried Fruit Association of California, the California Grape and Tree Fruit League. A strong six-man Pesticide Committee was formed, representing scientists, crop specialists, and others experienced in dealing with growers. This committee was given authority to develop the program.

First step was to design forms to guide the grower in treating the crops, in a way which would leave no doubt as to their acceptability, and to eliminate the necessity of testing all produce delivered by the grower. They included commodity sheets which listed all the registered pesticides permitted to be used on a particular crop, the Food and Drug tolerance, or absence of tolerance, and a summary of USDA use limitations.

The second form developed was the Pesticide Treatment and Crop History. The third a Pesticide Chemical Rider,



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which required a grower to comply with the instructions and to keep the crop history. It also gave the buyer the right to reject the crop upon proof of excessive or improperly timed applications. Several other forms were developed.

A Food Conference on Pesticides was held in Berkeley on March 17, to acquaint everyone concerned with the program. Everyone interested in food —processors, suppliers, Extension Service, farm advisors, agricultural commissioners, USDA Pesticide Regulation Branch, California Department of Agriculture, pesticide applicators and growers were invited and attended.

Mr. Marsh reported that there was no resistance to following the instructions and keeping the records. Some difficulties, however, he said, arose in dealing with members of growers' marketing associations. Considerable difficulty, too, was experienced with some of the shipping houses because of the problem of completing the crop histories on co-mingled lots. In doubtful cases, residue tests were made. In several instances also, University Extension recommendations were at variance with USDA limitations on dosage or timing. Most of these, he said, were minor and did not result in rejections following tests.

Another problem, he said, was the difficulty of keeping up with new registrations and USDA limitations on dosages and timing. The speaker expressed the hope that in 1961 a method of obtaining such information more quickly, can be established.

Another problem had to do with drift from application of pesticides by aircraft.

To solve these and other problems, Governor Brown in June 1960, appointed a State Public Policy Committee. Public hearings were held and over 30 informed witnesses presented statements. Report of that Committee, chairmanned by Dr. Emil M. Mrak, chancellor of the University of California, and well known to the canning industry, constituted a vote of confidence in the program. "The great preponderance of evidence presented convinced the Committee that at this time our food supply is safe. No evidence is presently available that there is any danger of anyone being poisoned by pesticide residues in food."

Essentially, the same program will be carried on in 1961. Another food conference on pesticides is planned March 17.

NEW YORK

William H. Sherman, secretary, New York State Canners & Freezers Association, credited the success of the New York program to the emphasis that had been placed on using only safe chemicals for a good many years. "Almost without exception, our Fieldmen's Conferences for the past five years have laid heavy stress on the wise use of insecticides, fungicides, and herbicides. Cornell's College of Agriculture for many years has published a complete set of recommendations for growers to follow."

Following the annual Fieldmen's Conference last February, where an entire afternoon was devoted to the program, the Association's Agricultural Committee mapped out a suggested procedure for all processors to follow. A clause was added to the 1960 contracts whereby growers signed an affidavit that pesticides had not been used improperly. Company procedures, spray charts, and other information was provided to growers. A great many held company meetings with the growers. In effect, every processor and grower was made acutely aware of the importance of the program.

Grower response, said Mr. Sherman, was almost unbelievable. Also, said he, "we cannot emphasize too strongly the excellent spirit of cooperation which existed between the processors, county agents, the college, spray dealers and the growers. It was this spirit which made the program work. No one group could have done it alone."

A few comments worth repeating: Necessary lab tests took too long to complete; another year because of records obtained in 1960, fewer samples and spot checks will be necessary; some felt growers were "over-sold" or "over-scared," and quit applying certain poisons too soon. The Association plans to continue a vigorous program in 1961.

NORTHWEST

C. R. Tulley, executive vice president, Northwest Canners & Freezers Association, advised that immediately following the National Convention last year, the Association set up a Technical Task Committe to spell out specific recommendations. Fortunately, because two of the Association's national brand members had already spent weeks in preparation for the 1960 season, and whose recommendations were made available to the Committee, the job was completed and disseminated to the entire fruit and vegetable processing industry and to grower groups, during February and early March. The dissemination included also experiment stations, extension service, and others in the Northwest. In addition to mailings there was a series of five area meetings in Idaho, Washington and Oregon at that time.

As in the other states, in conformance with the NCA program, the Northwest program was built around obtaining uniform grower compliance by means of grower education activities and assumption by him of contractual responsibility with the processor; the checking of compliance by careful field supervision throughout the season, and the maintenance of complete pesticide application records; limitation of pesticide usage strictly in accordance with USDA registrations, except where further limitation was required by the processor; and sufficient residue analysis, where needed, to remove any reasonable doubt that tolerance requirements were being met.

As in the other areas, the Northwest experienced remarkably good cooperation from growers, from the State Research and Agricultural Extension people, and also the representatives of the agricultural chemical companies. The rural press, farm magazines, and other publications also lent willing and valuable aid.

Some difficulty was experienced where crops were bought on open contracts, or in other words, not under contractual control of the processor. Procedures were developed by which grower and/or broker (handler) affidavits of compliance would be obtained and written records of pesticides usage established. This required expensive publicity, and a number of conferences with the parties concerned.

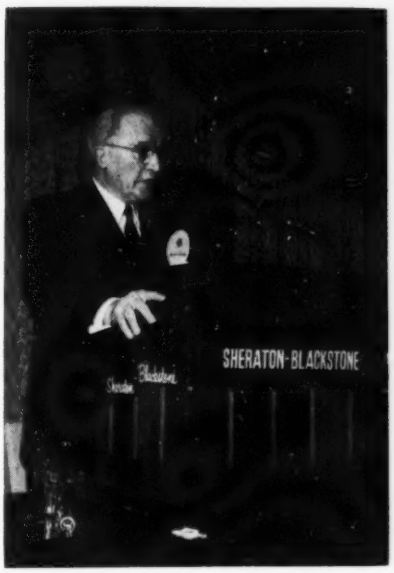
The Association's Raw Products Committee developed a questionaire for members, and by this means information on the results of the program was obtained. Almost without exception, processors had carefully followed the principal elements of the protective screen program. Activities relating to grower education and record keeping were extensive. Company meetings with growers were held. Seven out of every ten plants reported they had furnished growers with forms for recording each pesticide application. Nine out of ten required their growers to keep written records of pesticide application. In other instances records were made by the fieldmen.

Speaking of the effectiveness of the program, Mr. Tulley remarked that ten percent of the plants reported they had rejected some raw product, though the amounts were infinitesimal. This action is, in itself, a strong testimonial to the careful supervision and persistent vigilance exercised by the industry during the year. The program will be continued in 1961.

Meyer Shares Credit For Forty-Niner Service Award

A distinguished audience of some 200 industry leaders were on hand Saturday, March 21, at the Sheraton-Blackstone Hotel to witness the presentation of the 8th Annual Forty-Niner Meritorious Service Award to Dr. Karl F. Meyer, director emeritus of the George William Hooper Foundation, University of California.

Dr. Meyer received the Award in recognition of his basic research which resulted in the establishment of basic procedures to control botulism in canned foods. "In one sense," said Dr. Meyer, "such individual recognition misrepresents the case. Circumstances of time and place bring the investigator and the problem together, and the problem is not his alone—many, including many of you, work long and hard to find a solution. With luck the solutions are found and with safe canning procedures we have had that good fortune. We no longer have to spend one sleepless night after another because of botulism. Safe canning processes have been learned, methodically and with good conscience. Those of you who remember those days of coping with catastrophe, must be indeed proud of what you have accomplished."

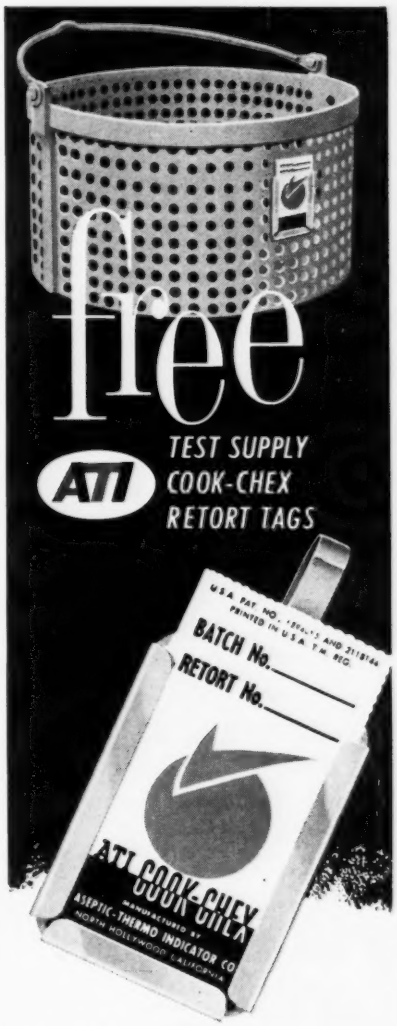


Dr. Karl F. Meyer, recipient of the 8th Annual Forty Niner Meritorious Service Award thrilled his distinguished audience by sharing the credit for his accomplishments with his fellow scientists.

Dr. Meyer reviewed most interestingly the details of the concerted effort begun 40 years ago to control the dreaded botulinum spore. The review, as he said, revealed how many have given meritorious service in this one aspect of food processing. He traced developments from the December 1919 meeting in the office of the California Packing Corporation, recalling the formation of the Botulism Commission, and its activities, the passage of SB-8 passed by the 1925 California Legislature, creating a Division of Canning Inspection under the auspices of the State Public Health Department. All of this, he stressed the industry collaboration, which resulted in the publication of NCA Bulletin 26-L, providing the guide lines for "Safe Cooks."

Dr. Meyer named names in his effort to share the credit. For instance, Doctors J. C. Geiger and E. C. Dickson, who with Dr. Meyer made up the Botulism Commission. He named the National Canners Association, Harvard University, the American Can Company, Doctors Bigelow, Bohart, Richardson and Ball; Mr. Milton P. Duffy, who headed the Division of Cannery Inspection, the late Dr. J. R. Esty, who conducted investigative work, and published scientifically sound regulations in the laboratory for research in the canning industries of the University of California. "It is by now clear," he concluded, "that this Meritorious Service Award recognizes not one but a legion of men and women who carried out the ideas and plans to safeguard the health of the people."

Dr. Meyer's remarks followed acceptance of the Forty-Niner Award Plaque and Scroll and addresses describing his work and his personal charm by Dr. G. M. Dack, Food Research Institute, University of Chicago, and Dr. Roger Lueck, vice president in charge of research, American Can Company.



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NEWS *and Announcements*

The Southern Strawberry Packers Association will hold its Annual Meeting at the Peabody Hotel, Memphis, Tennessee, on April 10. It will be a one-day meeting with luncheon at noon and a banquet in the evening, according to Secretary H. L. W. Hill.

Dr. L. R. Dugan, Jr., formerly chief of the Division of Organic Chemistry, American Meat Institute Foundation of the University of Chicago, has joined the staff of the Department of Food Science at Michigan State University, East Lansing, as an Associate Professor. Dr. Dugan is an internationally recognized authority on the chemistry of fats and factors affecting the development of rancidity in foods. He will emphasize these phases of food science in his new position.

H. J. Heinz Company stockholders have overwhelmingly approved a 3-for-1 stock split and authorized 200,000 additional shares of common stock, 600,000 shares on the new split basis. On December 9 the company's directors increased the dividend rate by 36 percent to $3.00 a year on the old basis, which will now become $1.00 a year on the new basis.

Tri-Valley Packing Association — Malcolm James, formerly supervisor of management services with Touche, Ross, Bailey & Smart, and recently associated with Stevenson, Jordan & Harrison in a management engineering capacity, has been appointed industrial engineer for Tri-Valley Packing Association, San Francisco. Mr. James is a member of the American Institute of Industrial Engineers and is well known in canning circles of the West Coast for his work with production and cost surveys.

Jeno F. Paulucci, president of the Chun King Corporation, Duluth, Minnesota, has been appointed by Governor Elect Elmer L. Anderson, to lead a newly established organization, the purpose of which will be to revitalize business and stimulate the economy in Northeastern Minnesota. A native of Iron Range, Mr. Paulucci started from scratch and has in a few years built with the people and products of Northeastern Minnesota, a nationally famous food company, renowned for the quality of its products, imagination, and enterprise in its marketing.

General Foods Fund—an independent foundation sponsored by General Foods Corporation, has elected the following officers: Leonard F. Genz, secretary of the Corporation, was elected President of the Fund and a Trustee; Thomas M. McDade, GF controller, Vice President and Treasurer and a Trustee. Jean Gordon, GF manager Westchester public relations, and Benjamin M. Hines, director GF personnel research and development, were also elected Trustees. The General Foods Fund has made education grants of more than $3 million since its formation in 1953. During 1960 more than 70 educational groups in the United States received grants and aid of more than $685,000.

Knox Glass, Inc. has established new sales offices in Philadelphia and Baltimore to take over the business formerly handled by the company's franchised representatives in these areas. William A. Seger has been named district sales manager of the Baltimore office and Walter Caskey has been appointed district sales manager at Philadelphia.

Carlos Campbell, Fred Stare, and Dr. Olin Ball, fourth, seventh, and fifth recipients respectively of the Forty Niner Service Award, pose with their new specially designed Forty Niner Pins for Service Award recipients, presented during the 8th Annual Forty Niner Awards ceremony. Doctors Prescott, Walker, McDowell, Cruess, first, second, third and sixth recipients, unable to attend, will receive theirs by mail.

WINNERS OF THE OLD GUARD MEMBERSHIP DRIVE—Right, Bob Ludwig, Northwest representative Lansing B. Warner, Inc., first place; and tied for second place Ed Lowell, left, Angelus Sanitary Can Machine Company, and Clyde Monda, center, Waukesha Foundry Company. Rumor has it these three gentlemen are off to a flying start for next year.

CONVENTION NOTES

ASSOCIATION SECRETARIES ELECT

Charles R. Carry, Executive Director, California Fish Canners Association, was elected President of the Association of Canners State and Regional Secretaries, an informal group of state, regional and commodity secretaries at their annual meeting at the Conrad Hilton on Saturday evening, January 21. Richard E. Reed, Executive Secretary of the Maine Sardine Packers Association, was elected Vice President; and John J. Tolan, Secretary-Treasurer of the Pineapple Growers Association of Hawaii, was elected Secretary-Treasurer. The group meets annually at the convention for a discussion of industry and association activities.

YOUNG GUARD OFFICERS

Dave Nay, Selected Spices, Inc., Detroit, was elected President of the Young Guard Society at the annual Board Meeting held at the Conrad Hilton on Sunday, January 22. Mr. Nay succeeds Robert B. Connelly, F. H. Langsenkamp Company, as President of the group. A. W. Dutcher, Dulany Foods, Inc., Fruitland, Maryland, becomes First Vice President; Mel Whitman, Food Machinery & Chemical Corporation, Seattle, Washington, Second Vice President; and W. H. Ross, Holly Hill Citrus Company, Davenport, Florida, Third Vice President. Herbert E. Shek, H. S. Crocker Company, was continued as Secretary-Treasurer; and Arthur J. Judge, "Canning Trade," continues as Recording Secretary.

TUC BREAKFAST

Approximately 200 canners, seedsmen, research people, and others particularly interested in corn, accepted the breakfast invitation of The United Company, and the United Products Company of Westminster, Maryland, and turned out enmasse for an 8 o'clock breakfast on Sunday, January 22 at the Illinois Athletic Club, just up the street from Convention headquarters.

The large turnout so early on a convention morning, was a tribute to this fine company. True to his promise, Mr. Cover limited the formal program to approximately 1 hour to permit the busy conventionites to fill other appointments.

Dr. Amihud Kramer, chairman, Department of Food Technology, University of Maryland, and who has cooperated in research with the Westminster firm, was Master of Ceremonies. He introduced first Mr. Paul Cover, president of The United Company.

Mr. Cover explained that the Cutting Bee had been set up in an entirely different manner from years before. This year, he advised, in addition to some 203 commercial samples from 44 varieties, five of the major seed companies showed packs prepared from their latest commercial and advanced trial varieties. These provided 84 of the samples from 38 seeds as canned in 8 states. Seventeen users of late type TUC cutting equipment furnished the balance of the samples from commercial production. Mr. Cover urged his guests to visit the Cutting Bee and to note particularly the results of separation with the C-8 TUC Cutter. He invited them, also, to inspect the new VT-10 TUC Husker.

Mr. Ralph Cover placed strong emphasis on the fact that improved quality and increased yields made possible through ear separation obtained in the TUC Cutter is, and will continue to be, reflected in the market place. With 6, 7 or 8 million cases of better corn available for less money, something is bound to give, he said.

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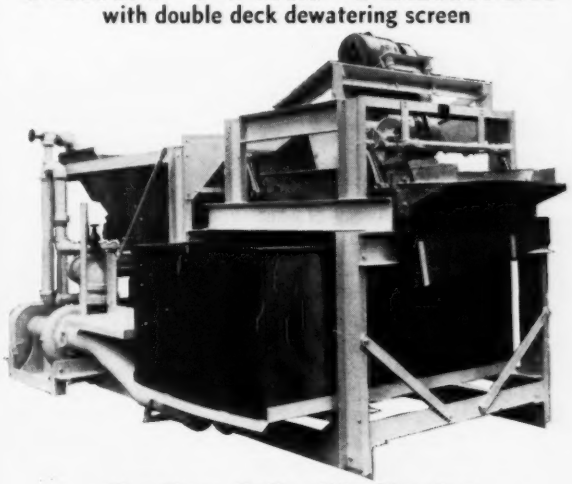

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MARKET NEWS

NEW YORK MARKET

Interest Centered on Staple Vegetables and Fish—Trading in West Coast Fruits —Low Priced Leaders Difficult to Find

By "New York Stater"

New York, February 10, 1961

THE SITUATION.—Buying interest this week was concentrating pretty much on staple vegetables and fish, with the market on the former still under upward pressures as unsold holdings in canner hands continue to dwindle. In canned fruits, however, it is more of a trading market—particularly in the case of West Coast fruits, and distributors are showing no anxiety about making substantial forward purchases until the market shows greater stability.

THE OUTLOOK.—Mass distributors are still looking for standard vegetables in an effort to keep their shelves supplied with relatively low price "leaders," but are finding the going pretty rough as the market continues to move up. In the staple vegetable group, it is becoming more a problem of keeping supplies available at the retail level than one of price, and the ten-cent retailer in 303s is definitely a thing of the past.

TOMATOES. — Replacement demand continues active, and distributors are seeking new supply sources as some of their regular canners "dry up" on additional supplies. Standard 1s in the tri-states continues at a range of $1.10-$1.15 per dozen, with 303s held at $1.35-$1.40, 2½s commanding $2.35 to $2.40, and 10s held at a range of $7.75-$8.00. Midwestern canners are showing stronger price views as supplies taper off, with standard 303s held at 1.40 and up, 2½s at $2.40 or better, and 10s at $8.00. California canners continue to quote standard 303s at $1.35, with 2½s held at $2.00, and 10s at $7.00-$7.25.

CORN.—It is becoming a scramble to obtain supplies in the case of standard corn. While packers in the east continue to offer standard 303s at a range of $1.40-$1.45, midwest packers are generally up to $1.45, with offerings by no means liberal at the higher level. Extra standards are quoted at $1.45 to $1.50 in both areas, with fancy held at $1.65 in the midwest, and ranging all the way from $1.60 to $1.70 in the tri-states. No. 10s are extremely short in all areas.

PEAS.—There is a continued active inquiry for standard peas, and the market is pretty well established at $1.30-$1.35 for standard 303s in both the East and midwest. Extra standards are beginning to come in for more attention, and fair replacement buying is reported in fancy.

BEANS.—Standard cut greens are coming in for more merchandising emphasis by chains, as the lowest-price canned vegetable at the moment, and a good inquiry is reported at $1.25 to $1.30 at tristate canneries. Extra standards are commanding $1.35-$1.40, with the market on fancy green beans bottom at $1.50 and French Style ranging $1.60-$1.70.

KRAUT.—Buyer interest in kraut has picked up, and the market is beginning to show signs of another run-up. Canners in the midwest quote fancy 303s at $1.30, with 2½s at $1.75, while New York State canners list fancy 2½s at $2.00.

CANNED FISH.—A moderate pick-up in demand for Maine sardines is again reported, and the market is holding steady . . . Chains and wholesalers are bringing salmon forward in better volume, with the market strong on most grades at primary points and Alaska reds only wanted grade where the supply position in first hands appears adequate . . . Tuna continues to move in good volume as distributors stock for Lenten requirements.

APPLE SAUCE.—Sauce buying interest is beginning to perk up, and canners are holding fancy 303s at $1.40 to $1.45, with 10s quoted at $7.50 to $8.00.

CITRUS.—Recent frost scares in Florida tended to step up buying in single strength citrus juices in some quarters, but buyers are not making extended committments on the basis of present prices. In some quarters, it is believed that the price basis will prove vulnerable soon on grapefruit juice, and possibly on blended. A sharp freeze reaching into the Florida citrus belt, however, could upset these calculations, and with the freakish weather experienced along the Atlantic seaboard this winter, such a possibility is by no means remote.

APRICOTS.—Buyers are still sniping at list prices in coming into the market for apricots, but the market on 2½s appears to have bottomed out at $2.45-$2.50 for standards, $2.80-$2.90 for choice, and $4.00 for fancy. On No. 10s, standards are reported available at $10, with choice at $11 and fancy commanding $13.50 per dozen. Solid pack pie 10s are quoted at $12.

FRUIT COCKTAIL.—Distributors have booked cocktail in fairly substantial volume following the recent price decline, and this fruit is now being featured by the chains at retail. Choice 2½s for coast shipment are being offered at $3.00 to $3.10, with fancy at $3.25, while 303s are held at $2.00 bottom on choice and $2.20 on fancy.

OTHER FRUITS.—Canners are reported rejecting buyers' under-the-market bids on cling peaches, and continue to quote the market for 2½s at $2.30 for standards, $2.40-$2.45 for choice, and $2.85 for fancy. On 303s, standards are held at $1.60, with choice at $1.70 and fancy at $1.87½-$1.90 . . . Canners continue to show strong price views on Bartlett pears, with standard 2½s at $3.15, choice at $3.35 to $3.50, and fancy, where available, holding at $3.80 . . . Packer holdings of fancy purple plums are reported exhausted, but choice is still available in a limited way at $2.10 for 303s and $3.30 for 2½s.

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CHICAGO MARKET

Buyers Move Cautiously on New Commitments—Vegetables Continue Strong —Fruits Sloppy

By "Midwest"

Chicago, February 9, 1961

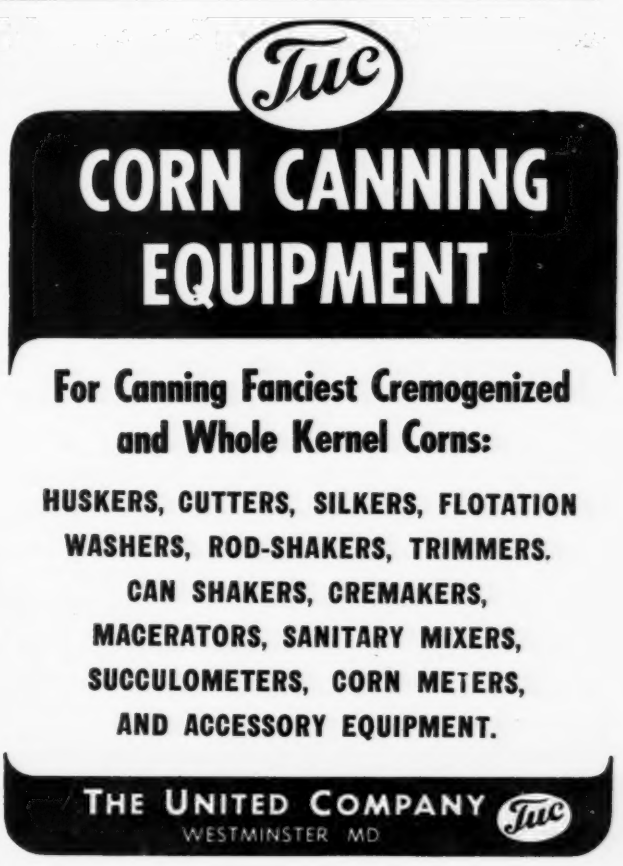
THE SITUATION.—The movement of canned foods at the retail level appears to be holding up fairly well but distributors are moving very cautiously when considering new commitments. The short items would naturally be an exception but then there is so little available along these lines that any activity in this respect would do little to help the overall volume. There is also a noticeable trend toward lower priced foods due to the considerable amount of unemployment in the Chicago area. However, distributors are handicapped in their efforts to fill such requirements because of the extreme scarcity of so many standard vegetables.

Pricewise the market on almost all canned vegetables continues very strong but canned fruits are slipping toward *the* sloppy side. Prices on apricots have been reduced several times since opening prices were named and now a number of real bargains have turned up. Cocktail and Cling peaches are already selling below what would be considered normal with no indication as yet of any improvement. Pears are holding steady because of the shortages invoved and the same is true of such items as plums and cherries which are just about non-existant. Applesauce is on the weak side and this week prices on grapefruit juice started downward although orange continues strong. There are rumors of higher prices on pineapple juice but nothing concrete as this is written. In any event, most canned fruits offer the buyer much better merchandising opportunities and many of them are now doing something about it.

TOMATOES.—The movement of tomatoes is good enough to keep this market strong with the outlook for more of the same. On shelf sizes local canners are holding standard ones at $1.10 with 303s at no less than $1.40 and up to $1.45 in some cases. Extra standard 303s can be had as low as $1.50 and up to $1.65 with quality the determining factor. Standard tens are just about gone and the few extra standards still left are bringing no less than $8.50. Southern sources are not having any effect on the market and California canners have strong ideas of what tomatoes are worth out there. Generally, they are quoting choice solid pack at $1.55 for 303s, $2.30 for 2½s and $7.85 for tens.

BEETS AND CARROTS.—There seems to be ample supplies of new pack Texas carrots now available at sharply lower prices than those quoted by local canners but prices still remain firm. Most Wisconsin factors are asking $1.15 for fancy diced 303s and $6.25 for tens. The beet market is strong because so many sizes and varieties are short and getting shorter. Fancy sliced are listed at $1.12½ to $1.15 for 303s and $5.50 to $5.75 for tens. Salad sliced in tens, one of the popular institutional items, are very tight and those canners with goods still to sell are holding at $4.75 to $5.00.

BEANS.—Local buyers continue to shop for cheap cut green beans in 303 tins and good extra standards in tens at what they call reasonable prices and they are not doing so well as they would like. It's tough to buy standard cuts at less than $1.15 for 303s and that doesn't make a dime seller. However, regardless of price, the sale of



beans continues to grow at a much greater pace than that of other canned vegetables. There is a heavy demand for fancy Blue Lakes but offerings are nil and most sales consist of orders against earlier commitments.

CORN.—At the present, this item continues to lead the parade in the way of activity and trade interest. Buyers have apparently combed the market thoroughly for standard corn the past couple of weeks and skimpy supplies still unsold are now a thing of the past. Last sales for 303s were on the basis of $1.40 and much more would have changed hands if it were available. There is going to be a long dry spell before another pack is ready. Fancy corn is still offered at $1.65 for 303s and $9.25 to $9.50 for tens but again supplies are limited and any such activity on fancy as there was on standard could probably bring the same results.

SPINACH.—With obvious shortages appearing in the case of the so called major vegetables, perhaps the trade will have to give more consideration to such items as spinach. Supplies appear ample and prices are certainly reasonable when compared to other vegetables. Currently, Ozark canners are willing sellers and most of them list fancy grade at $1.15 for 303s, $1.80 for 2½s and $5.50 for tens.

APPLESAUCE.—The industry appears reluctant to admit officially that the market is down on sauce and most of them still continue to quote fancy grade at $1.50 for 303s and $8.25 for tens. However, it would be difficult to find a buyer willing to pay such prices as there is no secret about his ability to buy for less. Just how much less depends entirely on who is involved and how badly he is pushing for sales.

CITRUS.—As expected, the price of grapefruit juice is lower although such action hasn't done much to stimulate volume buying simply because the trade still do not have much confidence. Orange juice remains at high opening levels and the average buyer is proceeding very cautiously on this one. Industry quotations also vary considerably which adds further to the confusion and lack of confidence all down the line. At the moment, natural grapefruit juice is offered at a low of $2.60 for 46 oz. up to $2.75 while natural orange is listed at $4.20 and up to $4.50. The trade here are doing little to promote citrus at present for obvious reasons and probably won't until the picture clarifies.

WEST COAST FRUITS. — Sales and shipments of fruit cocktail have been very good lately and even Cling peaches appear to be picking up. Prices remain steady on the basis of $3.00 for 2½ choice cocktail and $2.40 for peaches. Apricots are now quoted at $2.75 for 2½ choice halves unpeeled and also choice whole peeled which is a long ways down from the opening list of $3.25. There are also some real bargains available on various lots from people who want to force some quick volume movement. One or two rumors indicated lower prices on pears but they may be wishful thinking only as a number of sales were reported this week on the basis of $2.15 on choice 303s and $3.30 for 2½s both contour peeled. The shortage of tens has held the price on this item firm at $12.60.

CALIFORNIA MARKET

Fruits Active and Picking Up Momentum—Vegetables Firm and Steady

By "Golden Stater"

San Francisco, February 9, 1961

THE SITUATION. — Essentially the past week has been a repeat of last week with the trade more active and shipping of California fruits gaining momentum.

THE OUTLOOK.—With March 6, the California tax date, canners were anxious to ship to avoid taxes, and some concessions from attractive trading levels were made to pull in shipping instructions.

FRUITS.—Trading prices of fruit cocktail and cling peaces have not changed from those reported last week. Shipping instructions on both are picking up, with fruit cocktail showing excellent promotion and retail consumption. Various deals are being made on freestone peaches at or below last week's prices. Basis of the deal depends on the quality and the individual canner's position. Like cocktail, freestones are being well featured and moving well from retailer shelves. Most of the trading on pears is on large fruit, but the general market has slipped about 5 percent (15¢ per dozen on No. 2½), mostly in sympathy with current bargain prices on other California fruits. Apricots continue to attract lesser attention in spite of bargain prices.

VEGETABLES.—Tomatoes and tomato products roll along as reported last week with canners not disposed to press for new sales. Some annual national brand promotions have brought out deals on bottle catsup, but this is not from weakness in the market. Asparagus will clean up for new pack but there was additional activity this week to clean out odds and ends prior to tax date, mostly on shelf sizes of all green cut spears and soup cuts. Whole spears are firm at full list for natural with all green steady at list. Blue Lake green beans sold out with West Coast stocks down 26% below last year at this time when stocks were also short.

STATISTICS

STOCKS AND SHIPMENTS

Compiled by NCA Division of Statistics

CANNED APPLES
(Basis 6/10's)

	1959-60	1960-61
Carryover, Sept. 1.....	853,947	849,153
Pack to Jan. 1.....	3,618,833	3,050,917
Supply to Jan. 1.....	4,472,780	3,900,070
Shipments during Dec...	236,269	252,997
Shipments, Sept. 1 to Jan. 1.....	1,525,361	1,481,378
Stocks, Jan. 1.....	2,947,419	2,418,692

CANNED APPLE SAUCE
(Actual Cases)

	1959-60	1960-61
Carryover, Sept. 1.....	1,994,854	2,155,788
Pack to Jan. 1.....	16,412,808	16,873,587
Supply to Jan. 1.....	18,407,662	19,029,375
Shipments during Dec...	1,093,218	1,268,593
Shipments, Sept. 1 to Jan. 1.....	6,108,286	6,336,199
Stocks, Jan. 1.....	12,299,376	12,693,176

CANNED APRICOTS
(Basis 24/2½'s)
(Thousands of Cases)

	1959-60	1960-61
Carryover, June 1.....	134	626
Pack	5,046	6,144
Total Supply.....	5,180	6,770
Shipments, Nov. 1 to Jan. 1.....	483	474
Shipments, June 1 to Jan. 1.....	3,183	3,077
Stocks, Jan. 1.....	1,977	3,693

CANNED RED PITTED CHERRIES
(Actual Cases)

	1959-60	1960-61
Carryover, July 1.....	197,433	335,740
Pack	4,128,487	2,218,860
Total Supply.....	4,325,920	2,554,600
Shipments during Dec...	174,121	125,439
Shipments, July 1 to Jan. 1.....	2,312,108	1,493,065
Stocks, Jan. 1.....	2,013,812	1,061,535

CANNED SWEET CHERRIES
(Basis 24/2½'s)
(Thousands of Cases)

	1959-60	1960-61
Carryover, June 1.....	294	125
Pack	670	629
Total Supply.....	964	754
Shipments, Nov. 1 to Jan. 1.....	138	113
Shipments, June 1 to Jan. 1.....	539	437
Stocks, Jan. 1.....	425	317

CANNED PEACHES
(Basis 24/2½'s)
(Thousands of Cases)

	1959-60	1960-61
Carryover, June 1.....	4,421	4,667
Pack	29,301	30,036*
Total Supply.....	33,722	34,703*
Shipments, Nov. 1 to Jan. 1.....	2,602	3,013
Shipments, June 1 to Jan. 1.....	18,020	17,510
Stocks, Jan. 1.....	15,702	17,193

*Revised